

# *The* NATIONAL UNDERWRITER

*Life Insurance Edition*

## NOW **MUTUAL LIFE OFFERS** "TERM TO AGE 65"

FOR THE YOUNGER PROSPECT who cannot afford life or endowment plans.

FOR THE OLDER ONE who needs immediate, extra, long-term protection.

### **LIBERAL POLICY FEATURES**

1. Level premiums to expiration at policy anniversary nearest age 65.
2. Cash values from 3rd year.
3. Exchangeable for other types until age 60.
4. Annual Dividends.
5. Double indemnity.
6. Waiver of premium (male lives).

1843—FIRST POLICY ISSUED  
1942—MORE THAN 900,000  
POLICYHOLDERS

"Term to 65" is another good answer to the war-pinched budgets of many "white collar" families . . . and another good opportunity for our Field Underwriters to expand their incomes.

*The Mutual Life* Insurance Company  
**OF NEW YORK**

Lewis W. Douglas, President



"FIRST IN AMERICA"

34 NASSAU STREET • NEW YORK CITY

1843 "IT'S COMING—OUR 100<sup>TH</sup> ANNIVERSARY" 1943

**FRIDAY, MAY 8, 1942**

This iron mortar and pestle, used by Dr. Dewey in 1850, is one of the National Life's home office trophies.



# Prescription for Brokers:



**NATIONAL LIFE  
CONTRACTS**

Dr. Julius Y. Dewey, one of the founders of the National Life Insurance Company in 1850, was one of the first physicians to "prescribe" life insurance. He was a good doctor, too, but along with his medicine case he took application blanks.

Today, brokers will find it profitable to have National Life application blanks in their medicine case also. About 15% of National Life sales last year came from brokers.

We do business in 36 states and in those states there is business for brokers through National Life contracts. We believe it will be to your advantage to send for information.

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**NATIONAL LIFE** INSURANCE COMPANY    HOME OFFICE MONTPELIER **VERMONT**  
PURELY MUTUAL    ★    ESTABLISHED 1850

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# The NATIONAL UNDERWRITER

Forty-sixth Year—No. 19

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, MAY 8, 1942

\$3.00 Year, 15 Cents a Copy

## Commissioners to Go Ahead with Annual Meeting

### Executive Committee Discusses Number of Questions at Louisville

LOUISVILLE—The executive committee, of the National Association of Insurance Commissioners, meeting here confirmed Denver, June 8-10 for the national convention. There had been some doubt regarding meeting in Denver, on account of wartime transportation conditions. It was also decided that the Denver meeting would be exclusively business with no entertainment program of any kind.

James W. Close, counsel R.F.C., was present and discussed with the committee matters pertaining to the War Damage Corporation, subsidiary of the Reconstruction Finance Corporation. There was considerable discussion along this line in the effort to develop a cooperative program as relates to companies, government, agents and everyone concerned.

Discussions were heard regarding licenses and taxation, but referred to the committee on laws and legislation.

### Committee on Valuations

The committee on valuation problems has been working on this in New York, and will report at the June meeting.

The question of the mortality table will also be reported by committee at Denver.

C. F. J. Harrington, Boston, chairman executive committee, reported that there was no action to report, in that the deliberations were entirely of an executive nature and all reports, recommendations, etc., will be held in abeyance until the annual meeting.

Other members of the committee present included: J. M. McCormack, Tennessee; W. A. Sullivan, Washington; A. F. Jordan, District of Columbia; John A. Lloyd, Ohio; John Sharp Williams, Mississippi; vice-president; and Jess G. Read, Oklahoma, secretary-treasurer.

Among the visitors who were in for short periods were Sherman Goodpaster of Kentucky and the latter's assistant, Vernon Rooks, and Dick Wheat, actuary of the Kentucky department.

Although there is considerable interest in the question of the war damage program as outlined by the Reconstruction Finance Corporation for the War Damage Corporation, no report on the committee deliberations was forthcoming.

### Bars War Clause on Reinstatement

OKLAHOMA CITY—Commissioner Read of Oklahoma says it had been called to his attention that certain companies, as a requirement to reinstatement of lapsed policies, are attempting to at-

## Actuaries Outline Annual Program

### Timely Questions to Be Treated by American Institute June 4-5 in Chicago

The program for the spring meeting of the American Institute of Actuaries, which will be held June 4-5 at the Edgewater Beach hotel in Chicago, has been announced. The opening session will deal with miscellaneous business, and H. H. Jackson, National Life of Vermont, president of the institute, will give his address. Then new papers will be presented.

Papers given at the previous meeting will be discussed. These papers are: "Dividend Formulas," which was given by H. M. Sarason, assistant actuary General American Life, and R. E. Lane, Flitcraft publications, "The Qualitative Properties of Dividends Produced by the Three-Factor Formula," by Edward H. Wells, Prudential; "A Technique for Facing the Actuarial Examinations" by Mr. Sarason, and "Some Nomographic Theory and Applications to Benefits Under Retirement Plans" by W. R. Williamson and E. A. Rasor of the Social Security Board.

### Many Pertinent Subjects

A number of highly pertinent and interesting subjects have been set up for informal discussion. These are divided into three classes, underwriting, office practice, and general.

The underwriting questions are: In view of the increased individual income taxes and inflated incomes now prevalent, should the present method of judging over-insurance be revised? What rules should be followed in imposing war clauses in (a) policies reinstated either by payment of past-due premiums or by redating? (b) attained age term conversions? (c) dated-back term conversions? and (d) policy changes involving an increase in risks? Does the large scale movement of workers to wartime industries call for any modifications in underwriting rules?

### Office Practice Questions

With respect to office practice, the questions are: What economies can be introduced to offset the increasing costs of insurance operations? Should companies require that an applicant who is eligible for national service insurance obtain such insurance before consideration is given to his application? What rules have been established by the various companies for the destruction of records pertaining to terminated policies?

### Eye War Time Problems

Under the general discussion, actuaries will deal with: What is the attitude of the various companies with respect to granting of extended term in-

surance in the years before cash values are granted? What problems of management have arisen and are likely to arise because of the entrance into war service and defense industries of members of the home office and field staffs? In what specific ways may the specialized knowledge and capabilities of the actuarial profession be most advantageously utilized in the nation's war effort?

## Companies Make Counter Proposals for U. S. Tax Change

NEW YORK—A suggested modification of the Treasury's proposed change in the formula for computing life companies' income tax deductions has been agreed upon by the Life Presidents Association and the American Life Convention and has been presented to Treasury officials.

While the formula embodied in the modification is fairly complex, the essence of it is that, according to calculations based on the year 1941, the tax yield from the life insurance industry would be the same as under the original Treasury proposal but the companies earning high yields on investments, which were the hardest hit under the original proposal, would not have to pay so much under the suggested modification. It was with the hope of finding a solution acceptable to these companies that proposed modification was devised.

The Treasury's suggested change in computing the reserve deduction, however, was not the only factor in the higher aggregate income tax that would be paid by life companies, for the proposed higher corporate tax rates would by themselves have a large effect. The Treasury's proposed combined normal and surtax corporation rates would amount to 55 percent but the House ways and means committee last week voted a reduction that would bring the figure to 40 percent. If concurred in by the House and Senate this would mean a reduction of more than 25 percent in the amount of income tax to be paid by each life company as compared with the Treasury proposal.

In spite of the modification suggested by the A. L. C. and the President's Association some companies would still prefer a premium tax rather than any change in the income tax reserve deduction from the present basis and have informed the Treasury of their attitude.

In addition to informal discussions there will be an "off the record" discussion of pertinent topics, among which are: What are the arguments for and against the proposed revision of the federal income tax law pertaining to the taxation of life insurance companies? If the double indemnity or disability clause of a company provides for termination or suspension of benefits upon enrollment of military or naval service, what should the company's practice be as regards (a) soliciting information as to enrollment? and (b) giving notice of termination or suspension in appropriate cases? Should a greater effort be made to secure the standardization of war clauses

## Life Companies May Buy \$600,000,000 of New U. S. Issue

### Total Already Exceeds Half Billion—Three Take \$100,000,000 Each

NEW YORK—Life companies have already bought close to half a billion dollars worth of the Treasury's new "Tap" bonds, causing Wall street to raise its earlier estimate of the probable total sale of this issue to all investors from around \$500,000,000 to \$750,000,000 or perhaps even a billion, with life companies accounting for perhaps \$600,000,000 of the total. The bonds bear interest at 2½ percent.

Metropolitan Life, Prudential and Equitable Society have invested \$100,000,000 each in the new bonds. With Equitable this amounts to virtually the entire premium receipts so far this year.

Mutual Life bought \$60,000,000 of the "tap" issue, bringing its total of government holdings to \$540,000,000; New York Life purchased \$50,000,000, bringing its total holdings of government obligations to \$996,000,000 or 48.6 percent of total bond investments and 33½ percent of total assets.

New England Mutual bought \$5,000,000 and plans to buy more as additional funds become available. Among the Hartford companies, Connecticut General Life has purchased \$4,000,000 of the new issue, the largest single purchase of government bonds the company has ever made; Aetna Life bought \$2,000,000, Aetna Casualty \$1,000,000, Phoenix Mutual Life \$1,500,000.

Directors of Mutual Benefit Life Wednesday voted to take \$7,500,000 of the new issue.

There are two explanations of the term "Tap." One is that unlike other Treasury loans this one is "on tap" until the Treasury decides to close the books. The other is that the loan is designed to tap the resources of investors. It is used in the former sense in England.

## Life Counsel Call Off Midyear Gathering

The executive committee of the Association of Life Insurance Counsel at its meeting in New York City decided not to hold a spring meeting this year. Some of the considerations against holding it were the impracticability of automobile transportation, extraordinary demands on rail transportation and the thought that such expressions of opinion as had been informally secured from members indicated that at least 50 percent were opposed to holding the meeting.

The annual meeting which will be held at the Waldorf-Astoria Hotel, New York, in December, will start on Tuesday morning instead of Tuesday afternoon as heretofore.

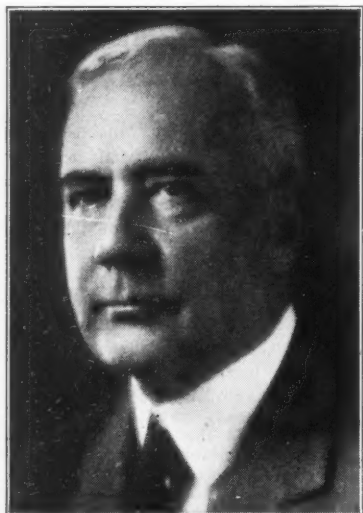


## Woods Company Agency, Pittsburgh, Is Being Dissolved

**W. M. Duff to Continue as Manager of Equitable Society Agency There**

PITTSBURGH — The Edward A. Woods Company, one of the largest agencies in the world, which has represented Equitable Society for 62 years, is being dissolved, with the full knowledge and consent of the principal officers of Equitable Society.

The directors felt it advisable and



WILLIAM M. DUFF

necessary to dissolve the corporation in the interest of the stockholders, due to economic and business conditions beyond their control. Representation of Equitable Society in the areas which have been serviced by the Edward A. Woods Company will continue through an Equitable agency in the same manner and through the same offices which have handled it in the past.

### Offices to Be Continued

The same service that has been given policyholders in the past will be continued from the offices in Pittsburgh, Altoona, Erie, Harrisburg, Johnstown, Steubenville, Williamsport and Youngstown. In over the past 60 years, hundreds of millions of dollars have been paid to policyholders in dividends, endowments and death maturities through these offices.

The dissolution of the Woods Company comes at the height of its career, as revealed by figures reported to the board. The company winds up its first quarter of the year with an increase in insurance written for the year both in amount and number of policies and with insurance in force of \$1,134,979,275, an increase of \$100,756,231 over the same time last year. Of the more than 400 companies shown in THE NATIONAL UNDERWRITER'S Unique Manual-Digest, there are probably not 20 whose total insurance in force equals that of this agency.

### Present Quarters Maintained

Promotion, sale and servicing of life insurance issued by Equitable Society will continue to be directed from its main offices on the second floor of the Frick building. William M. Duff, who has been with the company for a great many years, will continue as manager,

## Companies Ranked by Assets and Payments

### PAID POLICYHOLDERS

Rank in 1941	Company	Assets
1	Metropolitan	\$544,168,196
2	Prudential	402,710,651
3	New York Life	201,061,647
4	Equitable, N. Y.	199,785,571
5	Mutual Life, N. Y.	115,540,208
6	Northwestern Mutual	104,087,532
7	John Hancock	96,490,327
8	Sun Life, Canada	88,312,394
9	Travelers	78,902,928
10	Aetna Life	65,345,416
11	Penn Mutual	54,186,267
12	Mutual Benefit	54,000,773
13	Massachusetts Mutual	47,163,668
14	New England Mutual	35,219,406
15	Union Central	30,226,075
16	Connecticut Mutual	26,950,562
17	Provident Mutual	26,527,000
18	Connecticut General	23,869,270
19	Canada Life	22,956,250
20	National Life, Vermont	17,769,795
21	Bankers, Iowa	17,563,889
22	Phoenix Mutual	17,466,322
23	Pacific Mutual	16,288,506
24	Manufacturers	15,233,511
25	Western & Southern	14,581,654
26	State Mutual	14,076,345
27	Lincoln National	14,023,694
28	Mutual Life, Canada	13,822,961
29	Great-West	13,124,676
30	Equitable, Iowa	13,080,995
31	General American	12,168,398
32	Confederation	11,658,339
33	Fidelity	11,021,133
34	London Life	10,536,176
35	Guardian	10,252,586
36	Reliance Life	9,927,645
37	National L. & A.	8,993,562
38	Kansas City Life	8,281,756
39	Home Life, N. Y.	8,132,769
40	Imperial, Canada	7,116,448
41	Life of Virginia	7,054,695
42	American National	6,986,695
43	Jefferson Standard	6,648,610
44	Acacia Mutual	6,224,816
45	Occidental, Cal.	6,083,182
46	Northwestern National	5,688,475
47	North American, Canada	5,413,339
48	Southwestern	5,157,217
49	American United	5,150,659
50	Berkshire	5,139,758
51	State, Indiana	4,940,484
52	Cal.-Western States	4,578,903
53	Ohio National	4,140,544
54	Minnesota Mutual	3,902,412
55	Columbian National	3,739,778
56	Great Southern	3,629,368
57	Washington National	3,619,264
58	Pan-American	3,539,394
59	Franklin Life	3,525,447
60	Central Life, Iowa	3,466,614
61	Dominion	3,426,289
62	Mutual Trust	3,253,085
63	Crown	3,117,594
64	Savings Bank of Mass.	2,938,314
65	Industrial L. & H.	2,854,273
66	Business Mens Assurance	2,814,049
67	Atlantic	2,757,136
68	Continental Assurance	2,737,793
69	Illinois Bankers	2,699,628
70	Bankers, Nebraska	2,651,262
71	Monumental	2,533,343
72	West Coast Life	2,461,071
73	Midland Mutual	2,456,770
74	Columbus Mutual	2,450,199
75	American Mutual	2,430,501
76	Southland Life	2,403,094
77	Life & Casualty	2,187,159
78	N. A. Reassurance	2,171,439
79	Excelsior	2,081,650
80	Union Mutual	2,076,439
81	Guarantee Mutual	2,044,795
82	Northern Life, Washington	2,006,393
83	Colonial	1,998,525
84	Manhattan	1,983,870
85	Security Mutual, N. Y.	1,982,354
86	Shenandoah	1,971,134
87	Home Beneficial	1,953,381
88	Continental American	1,878,136
89	Volunteer State	1,875,966
90	Indianapolis Life	1,864,237
91	Indiana Mutual	1,795,719
92	Boston Mutual	1,778,553
93	Home Life, Pa.	1,707,769
94	Alliance Life	1,621,790
95	Pilot Life	1,615,607
96	Old Line	1,610,479
97	Ohio State	1,509,181
98	Protective Life	1,502,064
99	Commonwealth	1,477,684
100	Federal	1,391,975

### ADMITTED ASSETS

Rank in 1941	Company	Assets
1	Metropolitan	\$5,648,047,196
2	Prudential	4,556,085,245
3	New York Life	2,987,268,752
4	Equitable, N. Y.	2,740,635,508
5	Mutual Life, N. Y.	1,541,951,938
6	Northwestern Mutual	1,439,889,824
7	John Hancock	1,166,498,365
8	Travelers	1,156,436,403
9	Sun Life, Canada	992,761,140
10	Penn Mutual	810,362,786
11	Mutual Benefit	795,917,213
12	Aetna Life	778,237,039
13	Massachusetts Mutual	765,956,829
14	New England Mutual	535,967,179
15	Union Central	436,002,971
16	Connecticut Mutual	423,993,718
17	Provident Mutual	400,193,156
18	Connecticut General	319,802,808
19	Canada Life	289,058,610
20	Phoenix Mutual	287,539,833
21	Bankers, Iowa	266,668,878
22	Pacific Mutual	254,848,644
23	National Life, Vermont	238,241,780
24	Equitable, Iowa	220,077,848
25	State Mutual	209,879,969
26	Mutual Life, Canada	207,353,502
27	Manufacturers	205,003,438
28	Western & Southern	203,339,008
29	Lincoln National	180,839,603
30	Great West	180,591,711
31	Guardian, N. Y.	166,716,585
32	London Life	154,805,428
33	Fidelity Mutual	142,252,360
34	Reliance Life	142,114,095
35	Confederation	140,888,645
36	Kansas City Life	130,837,259
37	General American	130,596,095
38	Home Life, N. Y.	121,137,110
39	Life of Virginia	119,474,896
40	Jefferson Standard	104,764,885
41	Acacia Mutual	101,257,848
42	American National	100,694,199
43	Imperial, Canada	100,684,637
44	National L. & A.	95,622,850
45	Northwestern National	86,729,083
46	Southwestern	83,679,969
47	Occidental, Cal.	79,932,462
48	North American, Canada	71,747,744
49	Berkshire	68,988,371
50	Cal.-Western States	58,955,557
51	Ohio National	58,226,331
52	Great Southern	58,079,371
53	State, Indiana	55,295,814
54	Minnesota Mutual	55,001,850
55	American United	54,763,793
56	Central Life, Iowa	54,639,569
57	Mutual Trust	53,230,450
58	Columbian National	52,651,282
59	Washington National	49,555,768
60	Dominion	49,248,985
61	Crown	48,163,679
62	Franklin Life	48,122,301
63	Pan-American	44,253,393
64	Monumental	41,648,310
65	Columbus Mutual	40,783,041
66	Continental Assurance	40,766,398
67	Bankers, Nebraska	39,327,981
68	Savings Bank of Mass.	38,345,078
69	Midland Mutual	35,949,555
70	Southland Life	35,372,032
71	Atlantic	34,357,685
72	Life & Casualty	32,252,879
73	American Mutual	30,996,800
74	Continental American	30,169,838
75	Business Men's Assurance	29,588,122
76	West Coast Life	29,113,888
77	Indianapolis Life	27,511,375
78	Guarantee Mutual	27,139,449
79	Volunteer State	27,108,914
80	Union Mutual	27,013,397
81	Security Mutual, N. Y.	26,882,790
82	Illinois Bankers	26,411,895
83	Excelsior	26,130,570
84	Manhattan	24,990,642
85	Pilot Life	24,961,778
86	Commonwealth	24,753,552
87	Old Line	24,385,612
88	Ohio State	24,298,965
89	Central Illinois	23,199,744
90	Northern Life, Washington	23,040,082
91	Sun Life, Maryland	22,867,527
92	Colonial	22,621,058
93	Alliance Life	20,547,465
94	Home Life, Pa.	20,020,677
95	United Benefit	19,954,716
96	Baltimore	19,568,254
97	Federal	18,777,467
98	N. A. Reassurance	18,690,055
99	Equitable, D. C.	17,587,758
100	Beneficial	17,436,269

## Blanks Committee Makes Several Major Proposals

**Would Require All Insurers to Divulge Salaries and Other Compensation**

NEW YORK—All types of insurance companies will have to supply information regarding salaries and other compensation, as life companies have been doing for many years, if a recommendation adopted this week by the blanks committee of the National Association of Insurance Commissioners is followed by the association. As in the case of life companies, the requirement would apply only in the case of persons or corporations receiving \$5,000 or more in the year covered by the report. The requirement would cover not only salary but "compensation, emoluments, and amounts paid under management or agency contracts..."

In view of the war and depleted clerical forces the committee urged that all special exhibits required by individual states as supplements to the regular report be limited to those absolutely essential. The committee recommended that a resolution be adopted that these special exhibits be separate and detached from the annual report and that their filing dates be such as allow reasonable time for preparation. However, this recommendation did not refer to exhibits which are part of the present blank.

### Will Recommend Economies

Also with an eye to wartime economies, the committee plans to canvass the field of possible economies between now and Sept. 1 and then to recommend to the executive committee such courses as seem desirable. Views will be obtained from all branches of insurance. A joint statement has already been received from the American Life Convention and the Life Presidents Association. It is not contemplated that such economies would involve any changes in the regular association blank used for some time.

### Simplify Schedules

Life companies will be permitted to simplify some of work of filing in the schedules. At present, schedule B, part 2, specifies that section 1 shall include all mortgages on which interest is not more than three months past due and on which taxes are not more than a year overdue, while section 2 shall include all mortgages on which interest is more than three months past due or on which taxes are more than one year overdue. Under the committee's recommendation section 1 would include solely those mortgages on which interest is not more than three months past due, while section 2 would include all mortgages on which interest is more than three months past due and will also include other mortgages upon which taxes are delinquent more than one year. The new setup will eliminate one sorting operation.

Another economy will be permitting companies buying a block of securities at public offering through a number of brokers to list the transaction as a single deal rather than listing each broker's share as a separate purchase, as has been required. On large purchases there might be as many as 50 brokers involved.

The Leonard L. Lenz Agency of Connecticut Mutual Life in Columbus is moving into larger and modernized quarters in 1221 Beggs building.

and the Pittsburgh agency of Equitable will have in its ranks a third generation of the Woods family, founders of the Edward A. Woods Company, in Lawrence C. Woods, Jr., grandson of Dr. George Woods, founder of the agency. Dr. George Woods was ably succeeded by his two sons, Edward A. Woods and Lawrence Woods, who during their lifetimes built the Pittsburgh agency of Equitable into the commanding position which it has maintained.

### EQUITABLE SOCIETY STATEMENT

NEW YORK — Equitable Society states that it had been informed by the officers of the Edward A. Woods Co. of Pittsburgh that for their own reasons the stockholders desire to discon-

tinue the corporation and liquidate its affairs.

"The Society has long been well served by its Pittsburgh agency and is proud of the service it has rendered in that territory over a long period of years through the life of Edward A. Woods and his brother Lawrence Woods and the corporation which they organized and which succeeded them as general agent of the Society," the Equitable statement declared.

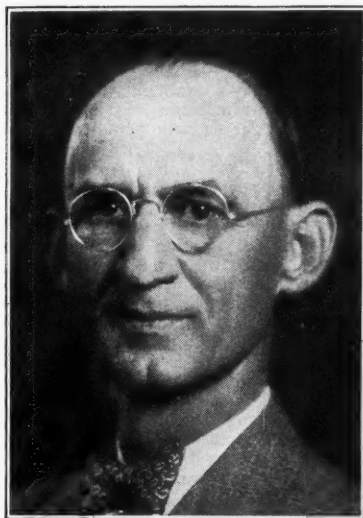
"The Society has no objection to the termination of the corporation nor to the reorganization of the Pittsburgh agency. That reorganization, however, must await the termination of the present corporation and its general agency contract."



## Sound Advice on Many Issues for Industrial Insurers

### War Clause, Low Interest Among Topics Discussed at Annual Conference

ATLANTA—A call for full and vigorous backing of the government in the prosecution of the war was uttered by H. T. Dobbs, first vice-president of Industrial Life & Health and president of the Industrial Insurers Conference at the annual meeting here this week.



H. T. DOBBS

More business executives than ever before have been placed in key government positions, which should not disturb business men, but should make them proud. Neither should insurance companies complain when their agents are called into service. "Why should we complain when part of the personnel which we have used to our private gain is needed by our government for our general welfare and protection?"

#### Should Be as Generous as Can

Companies should give the best possible service to policyholders and be as generous as good business will permit in assuming the risk of additional hazards created by war, Mr. Dobbs said. They should answer every call made on them in way of taxation to carry on the war. The burden must be borne and there is nothing inherent in insurance business which entitles it to immunity while other institutions are answering the call.

Insurance people should not lessen their efforts to win the war because they fear that afterward they will be faced with a fight to preserve private enterprise. Unless they win the war, they won't be in a position to conduct a fight to maintain their independence.

#### Don't Get Over-Excited

It would be unwise, he said, for insurance to become over-excited and invest all its funds in government securities, though a fair and reasonable portion of investments should go into U. S. funds.

An increase in interest rates following the war was predicted by J. R. Leal, vice-president of Interstate Life & Accident, who discussed "The Necessity for Assuming a Lower Rate of

(CONTINUED ON PAGE 10)

## New Prudential Publications and Advertising Setup

Following the recent retirement of Arthur A. Fisk as manager of the advertising department, and E. W. Porter as editor of publications, Prudential is combining the advertising and publications departments. Henry M. Kennedy, who has been assistant editor of publications, will be manager of the combined department.

Frank J. Price, Jr., heretofore associate manager of the advertising department, will be associate manager of the new organization. He will continue to deal with press and publicity matters, in addition to other duties.

Wm. R. Foulkes, assistant editor, becomes editor of publications.

The entire staff of the two former units, is being transferred to the enlarged department.

### Report Pilot Strikers Returning

WINSTON-SALEM, N. C.—Seven of the eight men who have been on strike from the industrial department of Pilot Life in Winston-Salem are back at work and the eighth would be if he wasn't sick. R. O. Berrier, local manager, states.

Agents of the local office went on strike April 2. Since that time George L. Rush of Washington, president of the Industrial & Ordinary Insurance Agents Council, A. F. of L., has been in the tri-city area in connection with the strike. Conferences between the union and company officials have not been successful, it is understood.

Julius C. Smith, general counsel of Pilot, said in Greensboro that striking agents in various other cities in the tri-city district are gradually resuming operations.

## Agents' Compensation Dealt with in N. Y. Symposium

NEW YORK—A realistic viewpoint toward current problems of the business was much in evidence at a symposium conducted by the New York City Life Managers Association on the general topic, "What the future holds for the agent, manager, and general agent." Four major problems were discussed in a panel, one speaker handling each subject, followed by general discussion, with observations and a summary by L. S. Morrison, research expert Sales Research Bureau.

The panel leaders and subjects were C. P. Dawson, New England Mutual, growing demands upon the agent's time for service work; S. P. Davis, Phoenix Mutual, the desirability of a smaller number of agents; P. A. Collins, Metropolitan, selling the industrial worker, and C. L. McMillen, Northwestern Mutual, attracting more good men to the business and holding more of the present number. K. A. Luther, Aetna Life, past president, was chairman.

### Morgan Brainard Talks

Later there were cocktails and dinner, which was addressed by M. B. Brainard, president Aetna Life. A warm tribute to Mr. Luther was given by Mr. Brainard. H. A. Schmidt, New England Mutual, president, made the opening remarks and was toastmaster at dinner. He presented a gavel to Mr. Luther on behalf of the association. Mr. Schmidt announced that through the cooperation of E. T. Wells, general agent National Life of Vermont, and the Franklin Square National Bank, Franklin Square, L. I., the bank was withdrawing from the life insurance business and was giving up its repre-

sentation of National Life of Vermont.

The question of agents' compensation occupied an important place in the symposium. Mr. Dawson gave considerable attention to it in discussing how an agent can give more and better service and turn service calls into sales which will encourage him to meet this growing demand and need of the public.

According to Mr. Dawson, there are three types of men, those who work for money, those who work for a man, and those who work for a cause. There are millions of men in the first class. If agents come under either of the last two groups, there is no problem.

### All Must Have Money

The vast majority of agents and general agents work for money, Mr. Dawson declared. The problem is to compensate the agent for the job he does. He pointed out that a number of companies now are compensating their men beyond the first 10 years with a 2 percent renewal commission, so that on a \$500 premium, for example, the agent receives a \$10 bill.

Mr. Dawson, however, does not like this method as well as what he termed "indirect" compensation. From the beginning, he said, the agent should be imbued with the desire to render service. Something must be put in his heart which is not in the hearts of many agents today. If the general agent subscribes to this idea, there will be an automatic tightening up in selection and training.

The necessity of a good deal of service can be avoided at the start of the agent's career by adequate preparation. There are many mistakes when the first automatic premium loans are put on a contract at the start. Many supplemental agreements are good only until the next child is born or the beneficiary dies.

### Center of Influence Helpful

The problem of service can be solved when the agent learns to develop his client into a continuing, working center of influence, he stated. He told about a young man he started in business 10 years ago who has made a fine success, the basis of which is over \$2,000,000 of business secured from one center of influence, his former employer, from whom he obtained a list of names of 23 highly qualified prospects.

The general agent should use his imagination and not take the hard way of teaching the agent how to develop centers of influence, Mr. Dawson said. He should be taught how to ask leading questions and how to list names. In developing centers of influence from policyholders, the agent must learn to give better service and to use his better policyholders as centers. He must be trained to learn more and more about the activities of his clients.

In the Dawson agency, record cards are kept on such centers which not only show the man's business and occupation, but also give his college, fraternity, social, civic, athletic club and church affiliations and hobbies. If general agents do an effective job of selling on the indirect method of compensation, the agent will have an opportunity to develop his clients as centers of influence.

### Makes Practical Suggestion

Prospecting technique, he said, consists of (1) Either establish a name known to the center of influence or take a list of names to him; (2) ask questions about "Jim Smith" in order to qualify him; (3) get the center's consent to the use of his name. The latter is not difficult, Mr. Dawson said, if the agent merely says, "Rather than

(CONTINUED ON PAGE 8)

## A Mortgage on the Family

This policyholder was well insured: minimum income for his wife and children until the children are grown; education for the children; minimum life income for his wife; provisions for his retirement; a clean-up fund. Just about everything. But unfortunately a month or two before he died he quit his job, and either he wasn't in a position to convert his clean-up fund group insurance or he neglected to do so—consequently it lapsed when he left the company and he thereby left his wife a \$4,000 debt—and her small life income was tied up so that she could draw no cash sums.

One of our underwriters said of a clean-up fund, "It is the most important policy, the one on the head of the family. It is doubly important, for it is the first payment on a great mortgage. Just as a man goes into debt for a mortgage when he invests in a home, he also assumes a great mortgage when he invests in a family. He goes in debt for his children's living until they are mature and for his wife's living as long as she lives.

"Conservatively, the mortgage on his family investment is \$50,000. That \$50,000 has to be paid by someone, whether the man lives or dies. If he lives he will pay for it with his income from year to year. If he doesn't live, and hasn't covered it with insurance, his wife will have to assume the burden of paying it in addition to raising a family."

\* \* \*

### THE PENN MUTUAL LIFE INSURANCE CO.

WILLIAM H. KINGSLEY  
Chairman of the Board

JOHN A. STEVENSON  
President

INDEPENDENCE SQUARE, PHILADELPHIA

## Eyes Problem of Assured Cut Off by War

### Selser Says Companies Should Confer and Prepare Recommendations

Recommendations that the companies, particularly those that have operated abroad, confer and undertake to agree on a proposed program for the disposition, after the war, of policies of those assured with whom correspondence has been cut off because of the war, was made by George M. Selser, vice-president of United States Life. He made this recommendation in addressing the spring conference of the Life Office Management Association at Greensboro, N. C.

Mr. Selser said that at least the companies by conferring, would be creating a fund of thought so that they would not be totally unprepared to consider the problems that are bound to arise when the war is ended.

### Paid Up Insurance

One possible solution, he said, might be to reform all such policies, making mandatory their conversion to extended paid up insurance, calculated on the liberal basis of the actual reserve held for each such policy and a liberal mortality table. That would supply all of the policyholders with the cheapest kind of protection giving maximum cover at the lowest possible cost. Each such policyholder would be protected to the extent that his asset share in the company would permit. Those who survive the war and are able to qualify as insurable risks would, of course, be in position to reinstate their old or purchase new insurance.

Such a tentative proposal, he observed, does not take into account all of the factors involved such as military or service limitations, substandard risks, the operation of the automatic premium loan clause, etc.

The status of policies on the lives of persons domiciled in or resident of enemy countries or countries occupied or controlled by enemy forces will be determined by the treaty of peace or by local laws of the place of delivery. Some such policies will be on the lives of enemies or allies of enemies. The majority, however, are not. Nevertheless all such policyholders are considered enemy nationals under the trading with the enemy act and executive order No. 8389. Some of the policies were issued for delivery in this continent. The majority, however, were issued for delivery in foreign countries or in the Philippines by companies transacting an active business therein and are governed by the local laws.

### Effect of Enemy Status

Mr. Selser said he understands that court decisions have held that war does not invalidate a policy on the life of an insured person simply because that person becomes of enemy status. It follows that in order to keep such policies in force the premiums must be paid as provided. There are conflicting decisions as to whether failure to pay a premium is excused when such payment is made impossible by enemy status. The New York court of appeals, in decisions following the Civil War, held that war suspended the contract and that no forfeiture for nonpayment could arise while the war lasted, provided the premiums with proper interest were promptly paid on the return of

## Medical Directors Announce Program for Annual Meeting

Program is announced for the annual meeting of the Medical Section of the American Life Convention to be held at the Broadmoor, Colorado Springs, June 4-6. Dr. T. H. Dickson, medical director Minnesota Mutual Life, is chairman. The program is as follows:

### Thursday, June 4, 9:30 a. m.

Greetings. Dr. D. E. W. Wenstrand, president Association of Life Insurance Medical Directors and medical director Northwestern Mutual Life; A. J. McAndless, president American Life Convention, and president Lincoln National Life, and C. B. Robbins, manager and general counsel, American Life Convention.

Chairman's address, Thomas H. Dickson, medical director Minnesota Mutual Life.

The Importance of Sulfanilamide Therapy on the Future Underwriting of Risks, Perrin M. Long, professor of preventive medicine and director of the department of preventive medicine at Johns Hopkins, Baltimore.

Discussion, James G. Irving, associate medical director, Aetna Life, and Eduard Novak, medical director Eureka-Maryland Assurance.

### Friday, June 5, 9:30 a. m.

Peptic Ulcer—Surgical Conclusions Associated with Underwriting Conclusions, Irvin Abell, Sr., M. D., former president of American Medical Association and professor clinical surgery Uni-

versity of Louisville medical school, Louisville, Ky.

Discussion, J. Albert Avrack, M. D., vice-president and medical director United States Life, and H. H. Shook, medical director, Ohio National Life.

Value of Minor Disturbance as a Clue to Gastro-Intestinal Disease, Roy Lyman Sexton, chief of the department of gastro-enterology of the Doctors Hospital, Washington, D. C.

Discussion, R. C. Voss, assistant medical director, Pan-American Life, and H. C. McAllister, medical director (reinsurance), Lincoln National Life.

The annual business meeting will be held immediately after this session.

8:30 p. m., dinner dance.

### Saturday, June 6, 9:30 a. m.

The Medical Director's Role in Underwriting Selection of Life Insurance Risks, A. E. Johann, medical director Bankers Life, Des Moines.

Discussion, Albert S. Irving, medical director, American National, Galveston, and N. J. Barker, assistant medical director Connecticut General.

Field Examiner's Association with the Medical Director, Edwin G. Dewis, associate medical director Prudential.

Discussion, Albert Seaton, medical director American United Life, Indianapolis, and T. M. Ebers, assistant medical director Pacific Mutual Life.

Lee N. Parker, president American Service Bureau, will address the June 4 session on "Some Hazards of the Defense Industry".

peace. The contrary view and one that Mr. Selser characterized as sounder was expressed by the U. S. Supreme Court in New York Life vs. Statham (93 U.S., 24). The court in holding against revival of policies, stated that to permit revival would operate unjustly against the insurer. If every policy lapsed by reason of the war should be revived and all the back premiums should be paid the companies would have the benefit of the average amount of risk. But the good risks are never heard from, only the bad are sought to be revived where the person insured is either dead or dying. Those in health can get new policies cheaper than to pay arrearages on the old. To enforce a revival of the bad cases, whilst the company necessarily loses the cases which are desirable would be manifestly unjust.

### Provisions of Treaties

The United States incorporated in the treaties of peace with Germany, Austria and Hungary following the last war provisions relating to life insurance entered into with the person who subsequently became an enemy. Those treaties provided that where the contract had lapsed owing to non-payment because of enforcement of measures of war or which became void from breach of conditions of the contract, the assured or his representative or the person entitled had the right at any time within 12 months to claim from the insurer the surrender value of the policy at the time of the date of the lapse or voidance or within three months to restore the contract on payment of the premiums with interest. The treaties also provided that where contracts had been entered into by a local branch of an insurer established in a country which subsequently became an enemy country such contracts would be governed by the local law in the absence of any stipulation to the contrary in the contract itself.

If such a scheme should be applied at this time it would work a severe hardship on the companies and possibly impair their financial condition, he said, because it would require all companies operating in foreign lands to bear the war extra mortality costs where policyholders have died, reinstate policies regardless of the state of health and pay cash surrender values as of the date of

non-payment of premium where the policyholders do not reinstate.

Since the Treasury's action of Feb. 23 making it permissible to deal with practically all foreign nationals within the United States, the main remaining international complication affecting life insurance is the acceptance or non-acceptance of premiums from or on behalf of persons in enemy occupied territory, Mr. Selser declared. United States Life has in recent years obtained a considerable share of its business from abroad, particularly the far east.

### Specific Cases Cited

One case that came up was that of a man residing in this country who wanted to pay the premium on his brother's life insurance. The brother is a general in the German army. The question is whether the company has the right to accept the premium under the Treasury's rulings under the trading with the enemy act. Another type of problem arises in the case of American policyholders residing in territory occupied by the enemy, such as the Philippines or the Netherlands Indies. Cutting off of communications makes it impossible for policyholders to send their premiums to the home office.

Some large companies have by action of their directors authorized the reinstatement of such policyholders without evidence of insurability when the war is over but companies doing business in territories since taken over by the enemy cannot afford to be so liberal, Mr. Selser said.

## Parkinson to Honor Campaign Leaders

Equitable Society agents of the central department will meet in Chicago May 11 to observe the successful conclusion of the "Par for Parkinson" sales campaign. President T. I. Parkinson will hold a conference with managers in the morning and he will speak at a luncheon which will be attended by agents. The 10 honor agents from both the central and western departments who qualified in the campaign will be feted.

A similar meeting will be held for eastern agents in Philadelphia on May 9 at which Mr. Parkinson will speak.

## Wartime Problems Dominate Stage at L.O.M.A. Meeting

### Symposium Is Devoted to Meeting Shortages and Effecting Conservation

The excellent attendance and the keen interest displayed at the Life Office Management Association's spring conference at Greensboro, N. C., offered eloquent evidence of the vigor with which home offices are meeting the challenge of problems which war time conditions are posing. It was a working meeting in every sense of the word and those who attended found themselves well repaid in the interchange of ideas on today's problems.

The symposium on wartime economies was particularly timely. A paper written by J. M. Brown, assistant secretary Canada Life, described the shortage of personnel and the difficulty of making replacements. It was decided that the salary committee should reexamine the situation with respect to the male staff and determine what the company's position would be if more men were called into military service. Also it was decided to determine what work could be eliminated for the duration, that procedures should be mechanized as rapidly as possible, which jobs should have priority, and that the field force and branch offices should be informed that many normally rendered services would have to be curtailed. Furthermore, instead of the planning units being relied upon to determine and initiate changes in methods, officers in charge of various divisions should get things moving in their respective departments, the planning units giving their advice and assistance.

### Special Committee Formed

Following this meeting the general manager addressed a meeting of all officers, department and section supervisors at which he outlined the two major problems—shortage of supplies and shortage of staff replacements. He announced the formation of a special committee, the wartime economy board, headed by the comptroller, and including five other executive officers representing the various branches of the company organization.

The wartime economy board has received more than 90 suggestions of varying degrees of importance, Mr. Brown stated. The suggestions are passed on to a senior executive committee and if ratified are put into effect immediately. In order to keep the home office and branch office staffs conscious of this effort in their daily work, bulletins are being issued periodically stressing the necessity of conservation of supplies. Expressing optimism about the plan's future, Mr. Brown said that details of work like weeds, often grow up from time to time and it is the job of the good husbandman to root them out so that his crop will bring forth a full harvest. The weeds uprooted as a wartime economy may well result in the discontinuance of practices which might appear normal and essential in peacetime, he said.

### Linked to Unit Cost

M. H. Le Vita, statistician Fidelity Mutual Life, said that in general a consideration of economies of operation should go hand in hand with the whole problem of cost accounting and the derivation of unit costs. Thus, if it is



necessary to increase the salary component because of competition from other fields, it is essential that this component of costs be seen in its proper perspective in relation to the other components. There should be therefore no cause for undue alarm because competition necessitates increases in clerical salaries. The important thing is to have the planning and personnel people cooperate in effecting economies of operation and in procuring the best services that can be rendered for the price paid.

An important question in putting desired economies into effect is possibly unnecessary duplication in branch office and home office records. Mr. Le Vita suggested that since even with the closest possible control there is bound to be some error in record keeping it might be better to use simpler methods which would reduce the work to a marked degree and put half the amount of money saved in an "error contingency fund." This fund could be drawn upon to pay amounts due as a result of errors arising from reduction of checking and double checking. The price of perfection is a very high one and even then perfection does not always result. A company should ask itself, "Is it worth while?"

#### Must Use Judgment

In planning for economies it is necessary to take a long range view. A new system may be economical initially but expensive later on. Judgment must be used in changing a procedure. A change that might save a \$2,000,000,000 company \$5,000 might save only \$10 or \$15 for a smaller company.

The prime necessity in economies and planning is the necessity for obtaining at regular intervals statistics showing the unit cost per function or per operation, Mr. Le Vita emphasized. Until a company knows what its unit costs are and sets a standard as to what its unit costs should be, much of the proposed planning for economies might be construed as sheer guesswork. In order to think scientifically it is necessary to get the facts.

#### DROP "TOWN FILE"

G. A. Parks, assistant secretary Bankers Life of Iowa, said that that company saved about \$1,500 a year by eliminating a special file of policyholder records by towns. A careful survey indicated that the "town file" had largely outlived its usefulness when compared with the expense it entailed.

Llewellyn Chapman, assistant secretary Provident Life & Accident, described three savings made by that company. Instead of taking mail to the post office once a day in the late afternoon an hourly mailing schedule was set up. Second, the individual certificates under group health and accident contracts were changed so that it was necessary to insert the document in the typewriter only once instead of twice. Third was a company-wide campaign designed to conserve office equipment and supplies. A periodical bulletin has elicited suggestions that have proved very worth while.

T. F. Meagher, assistant secretary New England Mutual, said that perhaps the greatest opportunities for immediate savings lie in teaching clerks to operate properly such office machinery and equipment as each company has on hand, the elimination of duplication and operations which are not absolutely essential, the proper handling of paper, carbon and the like and finally, the collation of forms to combine operations.

#### Use Punch-Cards

H. M. Harrell, Gulf Life, described the use of punch-card machines in connection with reports on salary deduction insurance. The posting time has been lowered 75 percent in the home office, since no checking is necessary. The premiums and commissions are checked

at the time the report is run and only the cases added by the cashier are verified with the home office cards. Under the old system—since the cashier made up each report—every item and every entry had to be checked by the home office posting clerk.

Under the old system it took one clerk and the cashier's office a full day to write the report and it took a posting clerk approximately three-quarters of the day to post. At present, however, the cashier can complete her report in from one to one and one-half hours and the clerks can post it in approximately three hours. The tabulating department can service the salary allotment business, that is, keep the files up and make statements and reports, in approximately 60 to 75 percent of the time required to keep the file and make the statements in the addressograph department.

#### Peers Into Crystal Ball

In his paper, "Rip Van Winkle Awakes in 1967," H. E. Niles, superintendent of agencies Baltimore Life, let his fancy roam in the field of possible future developments. When Mr. Van Winkle revisited the home office of his company, the mythical East-West Life, he found many surprising developments. The company had about five times as

much business as in 1942 but only about 100 percent of the gain was due to United States business, the remainder being through expansion in Central and South America.

Free insurance issued by the federal government, which had seemed to be quite a threat in 1942, had been established and proved a help to the insurance business rather than a hindrance. Covering the population's minimum needs, it resulted in much lower lapses, particularly in industrial business, because the irresponsible element of the community no longer bought so much as it formerly did. The people who bought in 1967 really wanted more insurance than the government minimum and they held on to it.

#### Clerical Work Simplified

Clerical work had been simplified so that instead of having the work go from division to division or department to department at the home office, one division handled all the steps on the work of a few branch offices while others performed the same steps on work from other offices. There were a few controlling divisions maintaining the company's general books or which were highly specialized and which gave advice to the operating divisions. There were also head offices for South

America and for the Pacific Coast. Perhaps the most important advantage of this plan is the breadth of view that it gave the individual clerks, Mr. Van Winkle found.

Other changes included the following: Clerks worked five days a week, six hours a day, one shift working from Monday to Friday starting at 6 a. m. stopping at 1 p. m., with an hour off for lunch. The other shift worked Tuesday to Saturday from 1 p. m. to 7 p. m. with one hour off. This two-shift plan had pretty generally been adopted throughout industry. Filing space had been cut down by following a simple rule, which was, "If you had done it verbally would you have made a note of it? If not, don't make a copy and don't save his letter." Following this simple procedure had cut the material to be filed by more than two-thirds.

#### Answers Were Telephoned

File clerks answered requests for information over the telephone, saving the time and expense of pulling entire files and sending them to the department from which the request had come, and then refiled them later on.

Stenographers were few because it had been found that it was cheaper to have clerks write their own letters un-

## "Why Do You Sell Life Insurance?"

To earn a livelihood and to render service—these are the two basic objectives of most life insurance agents.

The Lincoln National Life believes in these agents' objectives and supports them heartily. LNL field men earn their livelihood under a liberal commission scale. With a

complete line of policy contracts both Par and Non-Par, plus a wide range of risk acceptance—they render service broadly.

The basic satisfactions of a career in life insurance selling—substantial personal earnings and broad service to clients—can be won with The Lincoln National Life.

## THE LINCOLN NATIONAL LIFE INSURANCE COMPANY

Fort Wayne

Indiana

Geared To Help Its Fieldmen



less the dictator's salary was at least three times that of the stenographer. The scarcity of typewriters due to the war brought back long-hand and many executives got into the habit of writing answers on the margins of letters coming to them, usually not bothering to keep copies of what was put down.

#### Talks on Blocked Funds

Others who spoke included G. M. Selser, vice-president United States Life, who gave the latest information on compliance with the Treasury department's rulings on blocked funds of foreign nationals, and Dr. A. S. Keister, professor of economics Woman's College University of North Carolina, who talked on economic trends in the southeast as related to life insurance.

The first session opened with introductory remarks by the association president, R. W. Beeson, secretary Liberty National Life. President Julian Price of Jefferson Standard Life gave the address of welcome. The Jefferson Standard and the Pilot Life did themselves proud as hosts, giving a luncheon for the convention group and a barbecue and picnic supper at the Jefferson Country Club. The industrial sessions was held at the Pilot Life's home office auditorium.

Speakers whose talks were reported in last week's issue were J. E. Mumper, assistant secretary L.O.M.A.; G. E. Mecherle, secretary State Farm Life, whose paper was presented by J. K. McLean, assistant secretary State Farm Mutual Automobile; J. G. Bruce, actuary Colonial Life; J. B. Slimmon, vice-president and secretary Aetna Life; and L. J. Hale, assistant controller Kansas City Life.

#### Two Industrial Sessions

There were two industrial sessions, at which formal papers were presented by J. Cowin Smith, assistant secretary Life of Virginia; J. Everett Rowe, assistant to second vice-president Metropolitan Life; Leonard Mosele, secretary American National, and Lester Knopp, manager of the tabulating department National Life and Accident.

Those participating in the informal discussion on the effects of the war on industrial insurance management included H. Clay Evans Johnson, executive vice-president Interstate Life and Accident; R. W. Beeson, secretary Liberty National; W. B. Clement, superintendent of industrial division Pilot Life; and R. W. Cobb, assistant supervisor industrial department Prudential.

Informal discussion at the second industrial session had as participants J. J. Hess, secretary Knights Life; F. R. Leu, actuary Life and Casualty; E. F. Cooley, assistant supervisor methods department Prudential, and O. D. Newton, assistant general manager and secretary London Life.

#### Bankers of Iowa Calls Off Agency Conventions

Bankers Life of Iowa has decided to cancel the annual sales meetings that were scheduled to be held at Glacier National Park in August. President G. S. Nollen stated that Bankers Life had delayed making a final decision in the hope that developments might justify carrying through the program without change. However, after analyzing all elements of the situation the management made its decision to omit the meetings. One of the principal considerations was the burden of war transportation requirements.

#### "Ad" Campaign Comes to Close

The advertisement which appeared on May 4, "Waste Not Today What Tomorrow May Need," closes the Institute of Life Insurance current series of advertisements. Within a short time there will be an announcement of a new advertising campaign of entirely different character from anything heretofore developed by the Institute. This will appear just as soon as the campaign can be completed.

## N. B. Hadley Takes Up Cudgel Against Cal. Bank Cover

Nelson B. Hadley, insurance adviser of New York, who was chief examiner of life companies for the New York insurance department for 30 years, has written a lengthy letter to the Los Angeles "Daily News" which has taken up the cause of savings bank life insurance rather prominently.

One of Mr. Hadley's principal points is that while savings bank life insurance was intended to benefit the classes of population that carry industrial life insurance, it has not reached that market to any appreciable extent because the business is carefully selected and nearly all medically examined. Mr. Hadley cites the rules and regulations of the New York savings bank life insurance plan which include a lengthy list of the types of workers who will not be accepted such as acid workers, bridge builders, repairmen, switchmen, track walkers on electric railways; certain marine occupations, etc.

#### Can't Get Mass. Rules

Mr. Hadley stated that he had tried unsuccessfully to get a copy of the rules and regulations of the Massachusetts savings bank plan. He stated that although insurance companies freely state the occupational basis upon which they will accept or decline a risk the Massachusetts insurance department refused to allow its rules and regulations to be released. Industrial companies and even the regular ordinary companies are more liberal in taking risks than savings bank life insurance, he said. Industrial insurance is practically free of medical examination.

The report of one of the banks in New York shows that about 14 percent of the applications were rejected for either occupational or medical reasons. This, he said, is an extremely high rate.

Moreover, he expressed the opinion that savings banks cannot successfully compete with well established, well managed life companies. The ultimate net cost to policyholders in many of the well managed companies is lower than under the savings bank system of Massachusetts.

The fact that the investments of the savings banks are mainly local is a weakness, he contends. In recent years the best savings banks in Massachusetts and New York have been compelled to reduce their interest rates to depositors to 2 percent and less and yet have issued insurance contracts based on an earning of 3½ and 4 percent and are now issuing them on a 3 percent basis.

#### Dividends from Surplus

Practically all dividend payments during the first year in connection with the New York savings bank life insurance were from paid in surplus funds rather than from profits. In Massachusetts, he said, the savings banks have written annuities and these contracts constitute one of the most serious problems of the best managed life companies.

Recent examination of life insurance departments of savings banks in New York, Mr. Hadley stated, reveal that most of the expenses of these departments have been met by the savings depositors and to a great extent insurance operations have been subsidized by the depositors. During most of its history savings bank life insurance in Massachusetts was subsidized by the state.

Mr. Hadley expressed the belief that when the life insurance departments of savings banks have reached the point that the insurance in force consists in large measure of old business instead of new, the mortality profits will become less and may even disappear and the necessity for interest earnings of 3 and 3½ percent on old contracts when the reserves become large will be a burden that may bring about a critical situation.

## Conn. General Reports Published

Connecticut General Life this year is distributing its annual report to policyholders in two separate forms. There is a brief report that gives the highlights of the 1941 achievements and pointing out the war time function of insurance. This is attractively illustrated. Then there is a more complete report book that gives the detailed annual statement figures as well as a more comprehensive outline of the internal setup in 1941 activities. All policyholders receive a shorter report and are given an opportunity to send for the complete book.

In both publications the trend is to greater use of visualization and less cold figures on white paper. There is a message from President F. B. Wilde, who observes that during the coming years much of Connecticut General's funds will flow into government bonds. Moreover the purchase of utility and railroad bonds and the loaning of mortgage money for defense housing purposes are direct contributions to government finance and the national welfare.

Mr. Wilde pointed out that mortality due directly to war is not expected to be serious from a life insurance company standpoint but in common with all business, life insurance faces as a part of the price of victory the problems of in-

creased taxes, higher operating costs and personnel turnover. The best way to mitigate loss to individuals and to corporations is to concentrate on winning in the shortest possible time, he states.

"By the quick mobilization of overwhelming power we bring dismay to our enemies and we reduce the loss on our side of human life and suffering."

It is shown that life insurance in force gained nearly \$90,000,000 last year and stood at \$1,300,770,919, a new all-time high. The premium income increased to \$51,858,839 and new paid business was \$222,574,922 of which \$129,527,042 was group. Sales increased by \$51,007,593 or 29.7 percent. Total income was \$71,324,405, a gain of 15.7 percent. Disbursements were \$40,563,935 and excess of income over expenditures was \$30,760,470.

Payment to policyholders and beneficiaries amounted to \$26,402,748 and the total such payments since 1865 are \$381,275,126.

The B. F. Provol agency of American Mutual Life in Chicago is celebrating its 10th anniversary in May. In 1941 the agency was third in paid business for the company.



## HAVE YOU "RETOOLED"?

"Retooling" of your selling equipment to serve today's market is just as essential as retooling a peacetime industry for war production. Large, new groups of prospects for insurance are to be found in today's war production centers and related industries. They are best served through Minnesota Mutual's Payroll Deduction Plan, a means of purchasing life insurance at low monthly rates through automatic payroll deductions, and at practically no expense to the employer.

It is distinctly to your advantage to add this effective "tool"—the Payroll Deduction Plan—to your insurance selling equipment at once.

A Quarter Billion Dollar Mutual Company, 62 years old, with an understanding cooperative Home Office.

## THE MINNESOTA MUTUAL LIFE INSURANCE COMPANY

Saint Paul, Minnesota



## F. S. A. Insurance Causes Stir in Ia.

### Senator Gillette Seeks to Have Market Opened to Any Insurer

DES MOINES — An investigation into the insurance activities of the Farm Security Administration by U. S. Senator Gillette of Iowa following charges that certain groups had a monopoly on the FSA fire and life insurance business has brought a general denial by FSA officials.

It is reported that some of the insurance commissioners are looking into the matter and it may be discussed at the commissioner's meeting at Denver.

During the past few weeks several Iowa insurance companies have asked U. S. Senators Herring and Gillette to discover why they have been unable to secure any of the life insurance business the FSA requires of its clients.

The Iowa companies pointed out that Washington Life of Washington, D. C., is providing those who purchase farms through the FSA with life insurance. Washington Life was organized last year by five life companies for the specific purpose of handling this business. The arrangement was perfected after FSA invited all insurers to submit bids for providing group insurance to FSA borrowers to cover their indebtedness. In addition National Union Security Association, a fraternal with headquarters at Denver, is also handling some of the business.

#### Gillette Charges "Monopoly"

Senator Gillette reported to the Iowa companies that it looked "like a monopoly" to him and he thought "the FSA should open the gates to any company that wanted to write this kind of coverage and not restrict it to just a favored few."

The insurance commissioners are reported to be investigating the premium tax angle since the Washington company is licensed only in the District of Columbia and presumably premium taxes are not paid in other states.

The Iowa companies also claim that FSA is placing most of its fire insurance with Houston Fire & Casualty although some of the business is let to other firms. Houston F. & C. is not licensed in Iowa but still receives some of the business.

FSA in a letter to Senator Gillette explained that Washington Life was organized by five life companies for the specific purpose of handling the FSA business. Those companies are All States Life of Montgomery, Ala., Great National Life of Dallas, Lincoln National Life, Occidental Life of Los Angeles, and Western Life of Montana.

"We have always recognized the need of life insurance to stabilize and help in the rehabilitation of the low-income farm families we are dealing with and to make it possible for these families to hold together and carry on their farm work in case of the death of the head of the family," the letter stated.

#### Four Years of Negotiations

"It was recognized that such insurance must be at a price they could afford and available to clients throughout the whole country. With this in mind we carried on studies and had negotiations with 274 insurance companies over a period of approximately four years.

"The companies were told what we wanted and were asked to help work out plans which would meet the needs of the situation. As a result, in April, 1941, we entered into contracts with Washington Life and National Union Security Association to furnish life insurance to our borrowers and others with whom we worked.

"Two contracts were necessary since the organizational setup of the fraternal association is such that it could not par-

ticipate directly with stock companies. The contracts, however, are identical except for the changes which were necessary in the National Union Security Association contract.

"Insurance is written on a nationwide basis. Evidence of insurability required is that the applicant be able to engage freely in his daily acts incident to his agricultural and other occupational activities. By this plan group insurance is made available to low-income farm families for the first time. Besides the group idea, the good features of term insurance were taken advantage of to make special types of policies which otherwise were not available.

#### Two Types of Policies

"There are two types of policies: A 40 year term policy with level premium and decreasing principal, and a 10 year policy with a level premium and a level principal."

"The 40 year policy is available to farmers obligated to the government by reason of real estate mortgages, deeds of trust, etc., in which the government has an interest. The 10 year policy is available to our rehabilitation clients and to persons who are occupying property under lease agreements generally and others where no more than a 10 year policy seems needed.

#### Limit Profits, Expenses, Taxes

"In the contracts which were made, the companies are limited in their participation of the gross premiums to certain described profits, expenses and taxes. The contracts also provide for handling of the remainder of funds so that the policyholders will be entitled to refunds in the form of dividends for any excess above reserve and mortality expenses. In other words, after deducting the companies' margins for expenses and profits, which are carefully set forth in the contract, the balance of the funds belong to the insured farmers.

"There are no deductions from loans made by this administration to meet insurance premiums. Although many premiums are paid for through money loaned applicant borrowers by the government, the loans are made for this specific purpose and are endorsed to the company which handles their insurance."

#### Scheufler Names Two to Missouri Department Staff

JEFFERSON CITY, MO.—Superintendent Scheufler of the Missouri Insurance department has appointed Frank J. Loren, Kansas City, deputy superintendent, succeeding Lee W. Byars, who is resuming law practice in Columbia, Mo.

Mr. Loren has been in insurance 22 years in Kansas City, and recently was associated with the R. B. Jones & Sons agency as a broker. He has been active in Kansas City political clean-up campaigns and is a Republican.

Roy G. Diepenbrock of St. Louis becomes actuarial assistant in the department. Mr. Diepenbrock, a lawyer, has had actuarial and administrative experience with Continental Life, Central States Life, and State National Life.

Arthur R. Thompson, Jr., of Warrensburg, Mo., previously was named actuarial assistant by Mr. Scheufler.

#### Ask Rehearing in Ia. Tax Case

DES MOINES, IA.—Attorneys for the Iowa state tax commission have filed a motion with the state supreme court for a rehearing of a recent decision holding that life insurance dividends used to purchase additional insurance are not subject to the 2½ percent premium tax.

The decision was handed down in a suit started by Prudential which had paid the tax along with a dozen other companies under protest.

The decision was contrary to an insurance department ruling that had been in effect since 1919 with the exception of years 1937 and 1938 when former Commissioner Murphy held the tax was not legal.

*Successful*

*Agents*

*Say...*

(reading time 34 seconds)

Choose a company that is financially sound...

Add facilities for serving every type of buyer, juvenile and annuitant, participating and non-par, standard and substandard, accident and health and group...

Back all this up with tested sales tools, and personal cooperation based on knowing an agent's problems from an agent's angle...

AND the combination gives you a guaranteed recipe for building a bigger, more profitable business.

Maybe that's why Continental Assurance is the choice of so many of the nation's most successful producers. Maybe, too, there's an idea there for solving your problems in '42—or any other year.

*Nationally Known for  
Strength and Growth*

*Continental*  
**ASSURANCE COMPANY**

**CHICAGO, ILLINOIS**

*Affiliated with*

**CONTINENTAL CASUALTY COMPANY  
TRANSPORTATION INSURANCE COMPANY**

## Compensation Issue Is Pondered

(CONTINUED FROM PAGE 3)

go in to see Mr. Smith as a total stranger, do you mind, Mr. Center, if your name is mentioned?" This works 85 percent of the time. Show the center how his name will be merely used in the approach, Mr. Dawson suggested, pointing out that the center did not suggest that the agent call.

In the discussion that followed by W. H. Bender, Jr., National Life, Vt., it was suggested if a policyholder wants service, it has been found desirable to make an appointment for the agent to call at the policyholder's office at a definite time for a specific purpose. G. P. Shoemaker, Provident Mutual, said the agent should not be compensated for service if he is not entitled to benefit. A burden is imposed on a busy agent when he services orphan policyholders, Mr. Shoemaker stated.

If agents received their renewals in equal amounts over a period of 10 years, Mr. Dawson said in answer to a question, the induction problem would be very difficult. If Agent A gives good service to a policyholder of Agent B and the latter tells the policyholder "to go to hell," Agent B should be fired and Agent A given the business, he declared.

### Question of Fewer Agents

Considering the question of whether fewer agents would be beneficial to the business, Mr. Davis said there are four angles to consider: Would the individual agent be better off? Would it increase the average producer's earnings? Would the tendency be for agents to give better service? Would it decrease agency overhead? The impulse would be to answer "yes" to all four questions, but they deserve some study.

As a whole, the individual agent would not be any better off, but the business can well afford to let some men go, Mr. Davis said. He gave the opinions of several agency leaders he had written on the subject. William M. Duff, Woods agency Equitable Society, Pittsburgh, said in that agency many men were sold in their homes by agents who lived in the territory and that the business would not benefit by fewer agents.

According to G. E. Lackey, Massachusetts Mutual, Detroit, if fewer agents were able to maintain the present volume of business and there were a tendency to increase per capita earnings, he would favor it, but not otherwise. If fewer agents would give better service, he would be in favor of it, providing that agents seriously equipped themselves for their work, Mr. Lackey wrote.

Agency costs would be increased by fewer agents, Mr. Lackey stated. The business is woefully undermanned with only \$792 in force per capita. Mr. Lackey lost six of his men to the army and three by death and transfer.

J. C. Caperton, State Mutual, Chicago, wrote that he was doing more business with fewer men. Ordinary agents are not equipped to sell the war workers market. If every man in the business became a real life insurance counsellor, there would not be enough to go around.

### Sales Research Figures

Mr. Davis gave figures from the experience of three companies, furnished by the Sales Research Bureau, showing the percentage of manpower in three companies remaining during a period of four years as follows:

Year	Company X	Company Y	Company Z
1	100	100	100
2	69	72	94
3	34	42	50
4	21	30	27

He cited the monthly earnings of 120 men inducted by a company over a six months period as follows: 33, \$125; 36, \$150; 32, \$175; 18, \$200.

Mr. Morrison stated he would be inclined to answer "yes" to all four of Mr. Davis' questions. It is unlikely that there will be too many good men, he said. Too many are unqualified and

unfit. Fitness, he said, is determined by the ability of the man to earn the requirements of his budget.

Mr. Davis favored larger commissions to agents because they relieved the financing problem. However, he stated that a company which pays 75 percent first year commission was not having an easy time. The problem, he declared, is to make men successful and is not the question of whether to pay bigger commissions. Turnover of the better weekly premium companies is only one-third that of the ordinary companies, he said.

The fact that the industrial worker is receiving additional income is advantageous to the agent selling weekly premium and ordinary, Manager Collins of Metropolitan asserted in his talk. Seventy-six percent of the increase in national income is going to the wage earning group under \$4,000.

### New York Situation

Mr. Collins pointed out that the New York worker was not sharing in war work to the same extent as other localities. For instance, the war appropriations for the New York area amount to \$1,000,000,000 for 7,000,000 people. In Philadelphia, there is a \$2,000,000,000 appropriation for an area of 2,000,000 people. Many New York workers, he said, work in a war industry in some other area and return to New York over the week-end or ride back and forth morning and night.

The man on the debit gives a continuous and sustained service to policyholders. He secures preapproach information from the wife which tends to improve persistency of the business. Ordinary payable monthly persists better than semi-annually or quarterly business.

### Change Working Hours

Ordinary companies can get their share of the business today if they develop center of influence and endless chain prospecting. The ordinary agent should have the front office man give him the name of the key man in the shop and the time he can be seen best at his home. He must talk the prospect's language and do business on a man to man basis. It will probably be necessary for him to change his working hours from 9 to 5 o'clock to 1 to 6 o'clock, or later.

Mr. Collins commented briefly on the M. H. Seigel counsellor suit against Metropolitan. Seigel, he said, had auctioned off his office furniture for \$65 in order to raise money to pay court costs.

Mr. Morrison said an ordinary agent who was a friend of his described his prospecting trip to see some Pratt & Whitney workers as going on a "slumming expedition." "What chance has he got to get the business?" Mr. Morrison commented. One agent may need to add only 5 percent to his clientele, another may require 25 per cent. Mr. Morrison urged that agents keep what is good in their present clientele, then branch out to new markets, which the individual can tap effectively.

### Viewpoint of McMillen

The more conscious general agents are of the problem of attracting good men to the business and making it possible for more of the present men to remain, the more sure they are of solving it, Mr. McMillen asserted. He quoted President John A. Stevenson of the Penn Mutual, who told him the answer to the problem is that like attracts like. If there is a large increase in the number of successful men and a corresponding decrease in the number of failures, more men will be attracted to life insurance.

Right now the general agent has to realize the vital importance of maintaining and restoring the frame of mind of wanting to stay in the business, he declared. Many agents are considering whether they shouldn't be doing something else more effective in the war

effort. Mr. McMillen said the answer to this is definitely "no" unless the agent is eligible for military service.

Life insurance dollars are a de jure investment in defense. The quickest way to lose the war is to have people lose confidence in the dollar. First, the agent; second, life insurance management, and third, the bankers keep the country sold on the value of the dollar.

### Maintaining Morale

Morale is difficult for the general agent to maintain. Frequent personal conferences are necessary, coupled with advance training. One thing more than anything else needed is help with prospecting problems, Mr. McMillen said. One company found in a survey in the New York area that 51 percent of its agents were considered good prospectors, 33 percent fair, and 16 percent poor.

A poor induction job is caused by a poor induction effort. General agents receive too little assistance from the home office. Good men are not seeking opportunities, they are sought. Keep out the kind of men except those actually wanted; budget time, develop sources of prospects.

Up to two years ago, Mr. McMillen said he was primarily interested in young men and at one time had 35 colleges represented by one or more men in the

New York office. Today he is seeking men 45 or over. He predicted that it would not be long before it wouldn't be possible to license men between 17 and 45 as it is in Canada. Two of the best men he ever inducted into the business were over 45, Mr. McMillen declared.

The companies can help in this job in new ways. It is not the general agent's problem. There is a need, he said, for a method of compensation which will enable energetic men of good character to get a start and live on first year compensation, with a graduated increase in earned renewals to a maximum and to receive additional compensation from outstanding policies.

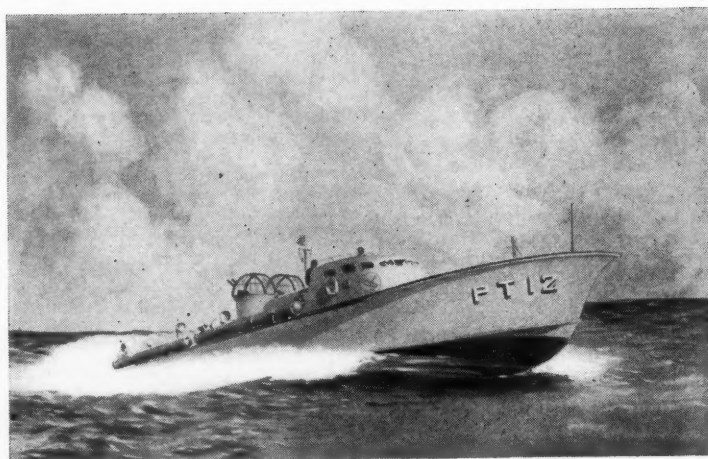
### Career Type of Agent

The time is coming when the career type of agent will be compensated on an entirely different basis than at present. The practice of vesting all renewals will be abandoned. The folly of paying agents renewals who are not doing any business, but are tearing down the business already written will be seen.

If an expense modification in New York statutes is required, the companies should get together and put it through. To be in competition on war clauses is a most ridiculous situation.

General agents have no right to let what happens to them influence the situ-

## Maneuverability!



One of Uncle Sam's famous P-T boats, of the type which evacuated General Douglas MacArthur, his family and his aides from the Philippines.

Big enough—strong enough—it withstood the pounding of the Sulu Sea... yet it had a high degree of maneuverability which enabled it to take advantage of every opportunity so as to carry out its mission. Such was the type of craft—Uncle Sam's fast patrol torpedo boats—that shot up the Japanese at Subic Bay, and with General MacArthur, ran the Japanese blockade.

Such an institution is GUARANTEE MUTUAL LIFE—big enough and strong enough—as proved by its time-tested service of 41 years, successful weathering of epidemics, wars and economic storms, and by its present ratio of \$112.13 in assets for every \$100.00 of liabilities. Maneuverable enough to change our ways of doing things practically overnight, if need be, to take advantage of new situations... as, for example, when we sensed the need for an agents' retirement plan back in 1939, and put such a plan into effect in 1939. Such maneuverability has benefited our men to the extent that they have already operated for three years under the benefits of a retirement plan—and one which requires no contribution on their part.

Write A. B. OLSON, Agency Vice President, for details of our  
"BUILDERS OF MEN" AGENCY PLAN

**GUARANTEE MUTUAL LIFE COMPANY**  
**OMAHA, NEBRASKA**

Organized 1901



ation. The threatened confiscation of vested interest is likely to take away everything he has built up, Mr. McMillen said.

President Schmidt appointed G. P. Shoemaker, Provident Mutual, chairman of a committee which will compile information on agency practices during the summer months.

New members are P. E. Woods, Equitable Society; Samuel Berman, Security Mutual; J. W. Hall, Jr., Travelers, and Charles Finley, Home Life. T. W. Foley, State Mutual, secretary-treasurer, reported that the association had a substantial bank balance.

## Lift Entire Lien on Bank Savings

Approximately four years ahead of the time when Victory Life of Topeka had agreed to remove completely the lien against policies of the old Bank Savings Life which Victory took over in 1936, the lien has been lifted. This is, of course, a remarkable record. General Manager W. J. Bryden points out that complete removal of the lien means that there has not been the loss of a cent to the policyholders of Bank Savings Life. The lien amounted to 25 percent. Bank Savings Life was placed in receivership in 1935. Victory Life was the successful bidder for the reinsurance with the proposal of a 25 percent lien. At no time was there any deduction from death payments. The lien was to have been removed not later than Dec. 31, 1945. In 1938, there was a 25 percent reduction on the lien, in 1939, a 61½ percent reduction and now the entire lien has been wiped out. Bank Savings Life had about \$17,500,000 of insurance and the amount of the lien was \$718,840. The interest on the lien was 3½ percent.

Commissioner Hobbs congratulated the company on being able to lift the lien in so short a time. District Judge Kline who placed Bank Savings Life in receivership, also complimented Victory Life.

## Farewell Campaign for Bullock

The General Agents Association of State Mutual Life is running its annual May campaign honoring President Chandler Bullock.

Called "A Victory Valedictory to Honor Our Retiring President," this campaign is tied in with the nation's war effort and at the same time honors Mr. Bullock before his retirement next Aug. 24, when he becomes chairman.

William H. Van Sickler, St. Louis general agent and president of the association, writes a foreword describing the contest aims in the two-color victory booklet. Other association officers instrumental in planning the campaign are General Agents T. F. Hazen, Jr., Knoxville, vice-president; and G. Harold Moore, Pittsburgh, secretary and treasurer. Walter S. Hayes, Davenport; Roy Ray Roberts, Los Angeles; Guy A. Reem, Detroit, and Timothy W. Foley, New York, are members of the executive committee.

The campaign will count all applications for insurance submitted from May 1-31.

Agencies are divided into four groups with agents in each group vying for leadership in paid volume and paid lives. General agents are also working for leadership in personal production in each division. A President's Month plaque goes to the leading agency in lives and to the leading agency in volume in each division.

In the contest booklet is a likeness of President Bullock, taken from a painting by Frank Salisbury, English portrait painter. Agents paying for three lives during the month will receive a reproduction of this photograph while those who pay for six lives will win the photograph personally autographed by Mr. Bullock.

## Midland Mutual's Chief Is Honored

### Agency Force Pays Tribute to President Steinman with New Business

COLUMBUS, O.—The Midland Mutual Life's field force produced over \$300,000 of business in one day to honor the 30th anniversary of President G. W. Steinman. Roses were printed in their natural color upon a greeting card and each agent attached a card to the application produced and sent to the office for this May 1 celebration.

Surprised indeed was Mr. Steinman when he received the bouquet of nat-



GEORGE W. STEINMAN

ural roses presented by employees and the desk full of greetings which were headed "Roses for President Steinman" as sent in from the agency force.

On May 1, 1912, he came to the home office as comptroller, after serving as chief examiner of the Ohio department.

### President Steinman's Career

In 1914, he succeeded the late B. F. Reinmund as secretary, and in 1927 he was made vice-president and secretary, continuing in that position until elected president in 1933, succeeding the late H. B. Arnold. Not a year has the Midland Mutual failed to increase its assets and policyholder surplus fund. Today the company has a surplus of over \$2,800,000. Policy reserves total over \$29,000,000. Life insurance in force exceeds \$131,000,000.

Since the first of the year paid-for business is running even with that of last year which was exceptionally high. The persistency of business is the highest in its history.

To aid the war effort the company is purchasing its limit of war savings bonds. As of Dec. 31, 1941, it had 73.7 percent of its total bond investments in United States government and government agency bonds.

### "Barron's" Discusses Annuities

NEW YORK—The current article in the "Barron's" life insurance series compares retirement income with insurance to the straight retirement annuity and comes to the conclusion that "in most cases where people own these combination policies (annuity plus insurance) it would be better if the same insurance was bought in a well-chosen term policy and the savings were bought in a well chosen policy." He stresses the situation of a man who buys the combination contract, keeps it for 20 or 30 years and then finds he needs no further insurance protection.



## GREAT-GRANDPA WAS A SALESMAN!

Way back in '67 when Union Central was founded, modern selling methods were unknown . . .



**NO CARS!** The tire shortage gives you an idea what Great-Grandpa faced! All his prospects had to be reached by foot or horseback! Think of the percentage of successful calls he must have made to earn a living!

**NO PHONES!** We think it's tough when we have trouble contacting a prospect by telephone to make an appointment. But the first life insurance salesmen used up hundreds of miles and hours on fruitless personal calls.

**NO ADS . . . NO CIRCULARS**  
**NO SALES AIDS!** No typewriters or reproducing machines for quicker, faster office work. Every document, every letter, every contract had to be done laboriously in longhand. No card index systems. No sales help from the company. No ads to make the company name familiar and welcome. How would you like that?

**NO PRECEDENT!** And worst of all for Great-Grandpa . . . he had to sell his prospects the whole idea of life insurance! No worthy examples could be pointed out. His company's name meant little. His prospects had seldom seen life insurance work.

Yes . . . Great-Grandpa was a salesman all right. He and his fellow insurance pioneers had tougher jobs than we modern business men can imagine . . .

. . . yet these early salesmen succeeded in building up one of America's most important businesses!

We salute them on our

## 75<sup>th</sup> ANNIVERSARY

The UNION CENTRAL LIFE INSURANCE COMPANY, Cincinnati, Ohio

## Sound Advice for Industrial Insurers

(CONTINUED FROM PAGE 3)

Interest in the Calculation of Premiums and Reserves."

New money will be required after the war in supplying the accumulation of needs in home building, manufacturing, farm machinery, etc., he said. The demand for money will increase interest rates.

### Don't Assume Too Low a Rate

It is safe to assume a low interest rate in calculating premiums and reserves, but in view of the possible yield increase he suggested that companies not assume a rate too low and suffer the headaches which such a course would bring. He pointed out that following the last war Liberty bonds dropped in price, thus increasing the yield to the purchaser, and suggested that it is not unreasonable to expect a drop in low yield bonds—after the war and consequent rise in interest yield.

If the companies reduce the assumed interest rate, which seems sensible in

term or whole life insurance rather than limited payment or endowment policies," Mr. Leal said. "The assumption of a lower rate of interest will affect the policies issued in the future, but most of the companies have a tremendous volume of business outstanding on which the premiums and reserves are calculated at 3½ percent and in some cases at 4 percent. These policies will not be affected by a change in interest rate assumed unless the company should elect to put up reserves on a table calculated at a lower interest rate. Few companies have sufficient surplus to make such an adjustment in any one year. If policies already in force are to be put on a lower interest assumption, all the earnings for many years will be required to make up the deficiency in reserves. For the mutual companies this probably would reduce the policy dividends, which few policyholders would view with pleasure. Stockholders would have to forego dividends on their investments which might result in a change in management, hardly desirable since the present management undoubtedly is skilled in handling the business."

### Court Interpretation of War Clauses

How the courts interpret war clauses was analyzed by J. Lon Duckworth, counsel of Industrial Life & Health. Courts have disagreed with respect to liability for double indemnity in accidental deaths. In two state cases the courts held that death caused by a bullet wound received in battle in Germany by a draftee in the United States army was accidental, external and violent within the terms of a double indemnity clause of an accident policy, the death resulting from a hazard of his occupation. The contrary was held by another state court.

The courts uniformly have held, he said, that a war clause meeting all the requirements of a valid contract is valid, and that such a clause is not against public policy. Parties to a contract have a legal right to limit or eliminate liability, and such limitation is not against public policy because the entire population might suffer if insurance companies assumed the risk of war contrary to the provisions of the policy.

### War Clause Difficulties

Difficulties have arisen in connection with the war clause. Some insurers have sought to escape liability under the clause particularly in borderline cases where it was clearly not the intention of either party to the contract that the clause should apply. When such an undesirable case has become a part of the reported court cases, claimants often have seized upon it as authority for cases which are not so near the borderline. Courts likewise have extended the application of such cases to controversies which should never have been in court, so that in some states the war clause does not fully serve its intended purpose.

The war clause should be clear and unambiguous so there will be no need for court interpretation of the language or its application, he said. A slight

variation in the wording of a war clause will result in a vast difference in its meaning. "Military service" and "active military service" differ widely in application. A person is considered to be in military service when he has passed the physical examination, taken the oath and been enrolled, and this is all that is necessary to bring the war clause into operation if it merely refers to military or naval service.

### Construction of Other Phrases

When the language "active service" is used, the person insured must be on active duty as distinguished from training. Another familiar wording is "military or naval service in time of war." The courts will interpret this as not including a day laborer or civilian employe but only to a combatant. The expression "engaged in" has been and is being used in war clauses and has already been construed by the courts, Mr. Duckworth said. Although insured may be an actual combatant the loss must be sustained from the purely military hazard. This construction has been applied and the insured held to be covered when killed in an automobile collision while on furlough, in a motorcycle accident far behind the firing line, as the result of a girder striking a troop train, and by influenza and pneumonia. Courts hold that civilian and military populations alike are equally subject to attack by disease, and in some cases injury from accident.

Mr. Duckworth suggested that insurance companies should not undertake to eliminate all of the hazards connected with the engagement by this country in the war. This would be a

most unpopular and unwise thing to do, he asserted. The companies can and should carry some of the increased risk.

## SOCIAL SECURITY

James F. Finlay, counsel of Interstate Life & Accident, gave an informative and critical talk on the social security act. What he had to say had little bearing on the direct interest of life insurance in the act but it was rather an exposition of the terms of the law and suggestions for its improvement. One thing he advocated was that everyone that is engaged in administering the act be under civil service. The unemployment compensation feature should not be extended to agricultural and domestic workers, he declared. The pension benefits would be most desirable for agricultural and domestic workers but the cost of administering these groups would make it prohibitive, according to Mr. Finlay. He contended that no change should be made in the act until after the war is over. Then, he said, there should be enacted a statute of limitations on collections under both the state and federal acts. Merit rating provisions should be placed in all state unemployment acts, he said. There should be amendments so as not to give inactive non-salaried officers unemployment insurance. The unemployment acts should be uniform and he said he is inclined to believe that the unemployment provision should be federalized.

P. M. Estes, general counsel of Life & Casualty, said that if, as a great many



J. R. LEAL

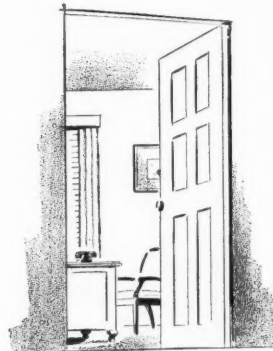
view of the shrinkage on interest returns, they necessarily must increase the premiums and the amount of reserve that must be accumulated.

If companies decrease the assumed interest rate, increase premiums, and increase the amount of reserves, will it not then be necessary to increase cash and loan values under policy contracts?

### Would Stimulate Policy Loans

Increasing the amounts available as policy loans at a decreased rate of interest will tend to make the use of policy loans more attractive, thus promoting lapses. Few policy loans are ever paid off. A policy loan usually means a reduced amount payable at death. Yet today banks are advertising for loans at 3 to 4 percent with insurance policies as collateral, and recently some of the states have passed laws limiting the interest rate companies may charge for such loans.

"Perhaps we should advocate policies requiring lower reserves, such as



## ANOTHER "OPEN DOOR" POLICY

Visitors to the Home Office frequently comment about it, yet it is nothing new. Its origin goes beyond the memory of present personnel:

*The doors of the Executive Offices are never closed.*

This accessibility of the Company's senior executives to fieldmen contributes to the friendly understanding between them and the Home Office management.

**THE DOMINION LIFE ASSURANCE COMPANY**

Do you know about our BUDGET PLAN? With it you can create an estate with your first \$5 monthly premium.

**DETROIT**  
2724-6 Union Guardian Bldg.  
F. W. SIMPSON, Manager

**LANSING**  
800-801 Olds Tower Bldg.  
ROY G. NOWLIN, Manager

ESTABLISHED 1889 — HEAD OFFICE — WATERLOO — ONTARIO

## The Mutual Benefit

LIFE INSURANCE COMPANY



Organized 1845 · Newark, N. J.



feel, the business of life insurance is menaced with subsidized competition, ruinous taxes, and even prohibition, the policyholder should be given a larger share in the determination of what is going to happen to his investments.

Policyholders spend their lives struggling to attain the security their policies represent. If the accumulation of \$33,000,000,000 for which they have worked so hard is to be destroyed or even materially impaired, they should be the first advised of the danger so they may protect their interests, he asserted. There has been a great deal of talk about arousing policyholders, but there is little evidence of effective steps being taken. Mr. Estes urged that a committee be formed, and that it secure the services of someone to take this story to policyholders over the country.

The payroll tax that has been suggested, he said, is not only a burden for which no provision has been made or can be made by the life companies, but in paying it the companies are setting up a subsidized tax free, postage free, competitor to their own business. This threat should be vigorously resisted. He also urged the companies to take advantage of merit rating under unemployment compensation laws.

## INVESTMENT TALK

F. J. Travers, vice-president Lincoln National, gave an investment analysis.

He declared that investors are often too much inclined to assume without question that what has been true will continue to be true. Rigidity in investment thinking is a danger to be avoided. In the old days, there was a tendency among some investment managers to rely almost solely upon reason and intuition, ignoring past records. This attitude was bad; but the present-day investor who is satisfied with a purely static approach to investment analysis or whose analysis of a bond goes no farther than computation of the times interest earned and ratio of debt to property, is probably just as guilty of poor investment management as his old-time predecessor.

Examples of rigidity in investment thinking include some of the following: Because of the experience of the last severe depression, many investors continue to believe that bonds are liquid and real estate mortgage loans are a frozen type of investment; whereas the truth of the matter is that the character of these two types of investment is changing. Bonds are becoming less liquid because they are going into fewer hands, mostly the giant life companies, and so are losing the ready marketability which they had under former conditions. Real estate mortgage loan liquidity has been improved by almost universal provision for rapid repayment over a reasonable period of time, as well as by an active mortgage market in the case of standardized residential mortgage loans. The comparative long maturities of most bonds and the failure to provide for adequate debt repayment further tend to reduce the effective liquidity of bonds.

### Example of Rigidity

The rather typical view that Aaa rated bonds are practically riskless is another instance of rigidity in investment thinking. Investors who were presumably conservative made the same error back in the 1890's when the railroad outlook seemed so secure that top credit bonds, having no debt repayment provision and maturing in 100 years, were nevertheless well received. In the past decade public utility bonds have been favored credits, and they represent about one-third of the recent yearly increases in life company assets. Typically, they mature 30 years after date of issue and provide for no more than a 1 percent yearly sinking fund; so that in effect they may as well have maturities of one hundred years. Obviously, such obligations are anything but riskless in this fast changing world and their 2½ percent yield surely offers inadequate compensation for any considerable risk. The investor must guard

against the type of thinking which assumes that an industry which is prosperous today will continue to prosper indefinitely.

Many other examples may be cited, such as the danger in over-emphasizing mere terminology or description of securities. The depression experience of the early 1930's removed some of the glamor from the words "first mortgage." More and more bond investors and supervising authorities are likely to look behind the mere title of a security and ascertain the priority of claim upon the company's earning power and the adequacy and stability of those earnings.

Secretary Raymond Daniel in his report pointed to the increase in business of conference companies. The subjoined statistics show interesting results by 55 Conference companies for 1941, as compared with 1940:

	1941	1940
Premiums . . . . .	\$ 127,530,033	\$ 113,139,565
Ins. in force . . . . .	\$3,287,334,951	\$2,863,998,121
Assets . . . . .	\$ 496,079,838	\$ 430,942,585
Policies . . . . .	17,292,504	16,739,427
Agents . . . . .	20,254	19,510
Other employ. . . . .	11,084	.....

During the year, as previously, particular attention has been given by the executive secretary to procuring new members. Four companies have been admitted, the Commonwealth Life of Louisville, Family Fund Life of Atlanta, the Atlas Life of Tampa and Professional of Jacksonville.

## Union Central Action Postponed Until Nov. 6

Action on mutualization of Union Central Life was postponed until Nov. 6 at a meeting of policyholders held at the home office in Cincinnati.

President W. Howard Cox stated that this meeting was adjourned until the later date upon recommendation of the management.

"The date of this meeting was set some months ago," Mr. Cox said. "We had planned to present to policyholders at this meeting the report of the superintendents of insurance of the various states. As their examination has not yet been completed it is desirable to postpone action on mutualization until their report is available."

Charles Sawyer, general counsel of Union Central Life, made a motion to adjourn the meeting to reconvene Nov. 6. He stated that when the previous meeting had been adjourned, it was expected that the convention examination would be completed by this time, but it was not ready and it is not likely to be for some weeks yet. Also he mentioned the changed circumstances affecting the country due to the war.

A policyholder's suit against the mutualization of the Union Central Life has been filed in the federal court at Cincinnati by Joseph J. Schaefer of New York City. There have been two or three suits by stockholders, who claimed that the price offered for the stock in the mutualization plan was inadequate, but this is the first action by a policyholder. Schaefer's contention is that the price is too high, instead of too low. The mutualization plan contemplated a price of \$25 for each \$20 share, the stock consisting of 125,000 shares, or a capital of \$2,500,000.

Schaefer holds six policies, amounting to \$223,780, beginning with a retirement annuity issued May 21, 1934, and the last policy being a limited payment contract for \$72,780, issued March 18, 1941. Among his allegations is that he was solicited on the representation that a stock company is superior to a mutual and now the company is mutualizing. He raises questions of accounting between policyholders and stockholders and demands an accounting to show whether the stockholders' surplus is adequate to retire the stock at the price set in the mutualization plan. He demands that the court appoint auditors and have

them examine the company, claiming that the examination by the insurance commissioners' convention, while presumably adequate to determine whether the company should be licensed or not, is not directed to the adjustment of equities between stockholders and policyholders. He also demands that the proxies and ballots obtained for the meeting of policyholders to vote on the mutualization be disregarded, and new proxies and ballots obtained after the policyholders are supplied with the results of the audit demanded of the court.

Schaefer, it is understood, has the beer hauling contract of the Jacob Rupert Brewing Co.

Although Mr. Schaefer is a resident of New York his principal attorneys are Perlman, Goodman, Hecht & Chesler and Theodore E. Rein, of Chicago. This is the law firm with which Congress-

man A. J. Sabath was connected until Jan. 1. Sabath was chairman of the congressional committee which a few years ago conducted an insurance investigation under the tutelage of J. P. Sullivan. Sullivan had been a member of the famous team of Gilbert and Sullivan which caused quite a stir with attacks on life insurance.

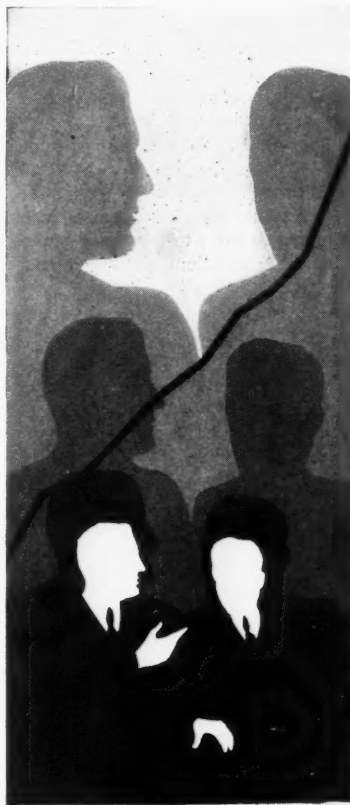
Geo. T. Weathers of Lima, supervising assistant of Mutual Life at Louisville, has been commissioned a first lieutenant in the administrative department of the air corps. He is stationed at Miami Beach.

H. F. Smith of the F. M. McMillan agency of Penn Mutual Life in Los Angeles has been called to duty in the navy. He is a graduate of the naval academy, and has been commissioned lieutenant, junior grade. He has been assigned to Notre Dame University.

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*Some men have carved  
a niche that keeps growing*



Men who are now associated with Connecticut General started to build a profitable and satisfying career the moment they joined our organization. From the first, they began carving a niche of their own.

And we have deliberately planned it that way. Connecticut General selects its new agents with great care, and the men who qualify receive a practical, continuing training that is designed to assure results right from the start.

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Hartford, Connecticut

Life Insurance, Accident and Health Insurance, Salary Allotment Insurance and Annuities, All Forms of Group Insurance, and Group Annuities.



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## EDITORIAL COMMENT

### Tax Deduction for Premiums

PRESIDENT ROOSEVELT's proposal that income taxes be increased so that nobody will have an annual income of more than \$25,000 after paying federal and state income levies is the best possible argument for the National Association of Life Underwriters' suggestion that a certain amount of premiums paid for life insurance be permitted as a deduction in figuring income tax returns.

If the President's proposal goes through it will mean that many men of means will feel unable to continue their present heavy insurance premium outlays, unless they are able to draw upon capital for the investment. Yet in putting money into insurance they are keeping it out of the general market, where it would add impetus to the inflationary spiral, and are indirectly investing in government bonds, for life companies are putting the largest possible share of their incomes into these securities. This is particularly true

with respect to renewal premiums, for on these the acquisition cost has already been met, and there is that much more that can be invested.

That this problem of the man with a large insurance program is not merely something that the life insurance business has dreamed up may be gathered from a recent broadcast by Fulton Lewis, Jr. Mr. Lewis pointed out the situation of the high-income man with various types of commitments, among them life insurance premiums. He touched on the advisability of special tax allowances, the premiums not being considered part of income.

Regardless of the enviable position of anyone fortunate enough to have \$25,000 a year left after paying taxes, the situation also would apply nearly all the way down the line. It would be grotesque if the government in effect forced citizens to stop what it is doing its best to get them to do.

### Prepare for Postwar Days

INSURANCE men are particularly interested in the address of Dr. S. S. Huebner of the University of Pennsylvania at the meeting of the U. S. Chamber of Commerce in Chicago when he foresaw the demands that would be on insurance following the war. He cited the opportunities that exist for the creation of an enormous amount of new wealth and this will need to be protected through the medium of insurance. Naturally when warfare ceases there will have to be a mighty readjustment but in the meantime industries have come into being that will not be content to be idle. For instance, the vast airplane manufacturing now centered almost entirely on war-craft will turn its attention to civilian

use. The manufacture of private airplanes will be intensified and their use popularized. The very exigencies of war are creating new materials which will replace those that were employed prior to the war.

Not only will material wealth need greater protection but human values will also have to be safeguarded through the medium of life, accident and health insurance. The war has brought into being more types of coverage and the accentuation of industry and life in general have introduced new forms of protection. The educational program set in motion will acquaint the people with these new types of coverage as well as the older and their application to the various activities.

### Working Through Insurance

At the meeting of the U. S. Chamber of Commerce in Chicago, Dr. S. S. Huebner of the University of Pennsylvania called attention to a situation that has engrossed the minds of thinking people during the last few years. The increase in taxes and other restrictions placed on men of wealth and large income will remove many liberal contributors to philanthropies, educational institutions and other enterprises which have to do with public welfare. Dr. Huebner in a very succinct statement said that the group of wealthy donors will soon

be whittled down to substantial extinction and philanthropic institutions will have to look for future effective support to the many instead of the few.

But the many cannot give effectively out of existing capital. Therefore, Dr. Huebner concluded that the only bridge over this increasing chasm will be life insurance. That is, a person can, in a modest way, arrange through annual deposits to create a gratuity or income for social causes. It may be, therefore, that life insurance will be much more employed in this regard.

## PERSONAL SIDE OF THE BUSINESS

### DEATHS

Horace Winter, manager of Travelers army and navy bureau at Washington, D. C., has completed 35 years of service with the company. He joined Travelers as a casualty special agent, serving at Indianapolis, Columbus, Erie and New York City. He served two years as manager of the liability department at Washington. In 1914 he was appointed manager of life and casualty in Washington and in 1921 life manager. In that year he helped form the army and navy bureau, a specialized branch of life insurance, of which he has been manager since July, 1941.

S. D. Marquis of Evanston, Ill., supervisor in the Willard Ewing agency of Provident Mutual Life in Chicago, has been elected president of the board of directors of the Presbyterian College of Christian Education, 1441 Cleveland avenue, Chicago. He has been chairman of the administrative committee of that institution.

Basil Holstine of Topeka, Kan., is reporting to Fort Sutton, N. C., and will be commissioned a captain. He formerly was with Penn Mutual Life in the Paul Jernigan agency at Wichita.

Johnson D. Hill, president of Atlas Life of Tulsa, has entered the race for the Democratic nomination for lieutenant-governor of Oklahoma.

J. Hawley Wilson, general agent of Massachusetts Mutual Life in Oklahoma has been named chairman of the Oklahoma City chapter of the Red Cross, a post he had held for two years in Peoria, Ill. before going to Oklahoma.

As a tribute of appreciation the \$100,000 Club of Mid-Continent Life of Oklahoma City presented President R. T. Stuart a riding horse, fully equipped, on his birthday. Mr. Stuart announced the net volume of business produced the first three months of 1942 was \$2,567,161, which is 57 percent above last year.

Erbin Harenburg, formerly supervisor in the McGivern agency of Northwestern Mutual Life at Eau Claire, Wis., and now circuit instructor of life insurance for the Wisconsin state board of vocational and adult education, is the father of a son, Thomas Alan.

F. J. O'Brien, director of sales promotion of Franklin Life, and Mrs. O'Brien announce the birth of a daughter, Peggy.

Olin F. Fulmer, since 1931 Savannah, Ga., manager of Mutual Life of New York, has been elected president of the Savannah chamber of commerce. Mr. Fulmer is president of the managers club of the Life Underwriters Association of Savannah.

James P. McNeil, manager of Mutual Life of New York at Jacksonville, Fla., has been appointed a director of the community chest there.

L. D. Cavanaugh, president Federal Life, returned to Chicago last week following a two weeks' vacation spent with his wife at Miami Beach, Fla. He shortened his visit in order to attend the company's quarterly directors meeting. Mr. Cavanaugh is chairman of the public relations committee of the Health & Accident Underwriters Conference and will report on the year's activities at the annual meeting in Kansas City May 25-28.

S. L. Haynes, 73, special agent of Union Central Life, serving in Columbus and other places, died in Columbus. He was widely known as a horse show judge.

John J. Kaczmarowski, 63, superintendent of Prudential District 4, Milwaukee, died at his home there. He joined Prudential in 1914 and became superintendent in 1926.

Frank C. Mann, 75, who retired in 1934 as manager of the ordinary department of Prudential in Boston, after 50 years with the company, died in a Brookline hospital. He was very active in the Boston Life Underwriters Association.

Hector J. Daigle, 80, Penn Mutual Life general agent at Burlington, Vt., died there. He had been general agent for the company since 1917. He is survived by his daughter, Zorinne E. Daigle, who is cashier of the agency.

Miss Sarah Green Duffield, sister of the late E. D. Duffield, president of Prudential, died at her home in Princeton, N. J. Mr. Duffield died in 1938.

W. M. McKercher, 87, one of the oldest members of the field force of the Northwestern Mutual Life in point of service, died at his home in Sioux City, Ia. He started as special agent in 1888, became general agent in 1903, and resigned in 1930. He continued as a special agent under his successor, C. R. Garrett, and later Scott M. Burpee. On April 1 of this year he completed 54 years with Northwestern Mutual.

John W. Sparkman, 65, of Birmingham, insurance auditor for Alabama and Mississippi, died at a hospital in Memphis after being taken ill at Clarksdale, Miss. At the time of his death, he had been doing examining work for Mississippi, with headquarters at Jackson, Miss.

### Holgar Johnson Makes Appeal

MINNEAPOLIS—The life insurance business was called upon by Holgar J. Johnson, president of the Institute of Life Insurance, to back up the government's fight on inflation by sponsoring the greatest thrift campaign in history, urging people to put every dollar possible into war bonds, life insurance and savings.

Mr. Johnson addressed the Advertising Club of Minneapolis.

### Baldwin Installed at Toledo

Tony Haas, assistant to the vice-president and manager of agencies of Mutual Life of New York, at a luncheon meeting last week installed Floyd C. Baldwin as manager of the Toledo agency to succeed D. I. German, who is retiring. Mr. German presided at the meeting.

From Toledo Mr. Haas continued on a tour of midwest agencies, including South Bend, Vermillion agency in Chicago, Davenport, Des Moines, Sioux City, Omaha, Kansas City, Wichita, and St. Louis. At each agency, Mr. Haas is discussing company plans and new markets for life insurance in wartime.



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"Now, John, listen to the story of J. Bramble III, who never invested a cent in insurance and wishes he had!"

## NEWS OF THE COMPANIES

### Fuller Quits Loyal Protective; Cornett Is Vice-president

E. B. Fuller has resigned as vice-president of Loyal Protective Life and W. B. Cornett of Columbus, O., has been appointed vice-president in charge of agencies. He has gone through the



E. B. FULLER

ranks from soliciting agent to head of the agency department and the appointment is definitely in line with the company's policy of making promotions from its own ranks.

Mr. Cornett entered insurance in 1921 and made an outstanding success as a personal producer. In 1923 he was made field director of Loyal Protective for several states in the middle west and served in that capacity until 1940 when he was promoted to superintendent of agencies. He is past president

of the National Association of Accident & Health Underwriters. For the present he will continue to make his home in Columbus.

It is Mr. Fuller's intention to leave the insurance business entirely and devote his time to managing his estate in Alabama. He has been with the Loyal more than 15 years. He started carrying a rate-book in the field and was in charge of the Pacific Northwest with headquarters at Portland, Ore., before being called to the home office.

V. A. Larsson, agency assistant, has been appointed assistant field secretary. Mr. Larsson has had a number of years experience in the field and for the past seven years he has worked in the agency department at the home office in Boston.

### Vincent Keane Is Named Assistant General Counsel of Mutual Life

The appointment of Vincent Keane as assistant general counsel of Mutual Life is announced. Mr. Keane's duties will be largely concerned with legal matters in connection with the mortgage and real estate interests.

Mr. Keane has been a member of the law department of Mutual Life since 1940. Prior to that time he was active in the field of real estate and mortgage law with Larkin, Rathbone & Perry, New York City law firm, with which he became associated in 1927.

Mr. Keane was born in Brooklyn in 1907 and was educated in Brooklyn public schools and at St. John's College, Brooklyn, from which he received his law degree in 1928.

### Favorable Examination Report on Country Life

The Illinois department has published the results of an examination of Country Life of Chicago as of Dec. 31, 1941, showing assets \$15,334,405, capital \$200,000 and net surplus \$2,126,492. The examiners state that the investment policy



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has shown favorable results with regard to security of principal and operations have been profitable. Surplus has increased from \$807,548, Dec. 31, 1937, to the present figure. During the same period stockholders' dividends of \$415,000 have been paid and dividends allocated with a resultant low net cost to policyholders. Operating expenses are low and mortality experience favorable. Policy claims are settled promptly and in accordance with policy provisions.

The stock is owned by the Illinois Agricultural Holding Company which is an instrumentality of the Illinois Agricultural Association. Dividends of the holding company are restricted and the dividends received are to be used for certain specified purposes.

The principal operating officers are D. C. Mier, manager; Ray Ely, actuary, and Dr. John Boland, medical director.

The company has 98 general agents and about 500 special agents, all of whom are required to be members of the Illinois Agricultural Association and their respective county farm bureaus. Arrangements have been made with certain farm bureaus to furnish office space and clerical service. Insurance in force amounted to \$166,340,293.

### C. G. Snead Now President of Jacksonville Insurer

C. G. Snead, one of the founders of Independent Life & Accident of Jacksonville, Fla., and who has served the company since its organization in 1920, has been elected president. Mr. Snead has a long experience in industrial insurance, which goes back to 1899 with the old Industrial Insurance & Banking Co. of Jacksonville. He joined Peninsular Casualty in 1901, leaving that company in 1920 to help found Independent. He succeeds J. H. Gooding, who becomes secretary-treasurer.

Mr. Snead takes an active interest in the affairs of the Industrial Insurers Conference, of which his company is a member.

### Hearing on Reinsurance Deals

JEFFERSON CITY, MO.—Superintendent Scheuffer will hold a hearing at American Savings Life's home office in Kansas City on May 18 on the proposals to reinsure that company's accident and health and hospitalization business in Business Men's Assurance and its life business in Republic National Life.

T. P. Beasley, president Republic National Life, bought control of American Savings Life last December.

### E. J. Faulkner Enters Service

E. J. Faulkner, president of Woodmen Accident, Woodmen Central Health and Woodmen Central Life of Lincoln, Neb., has entered the service as second lieutenant in the administrative division of the army air corps, stationed for the present in Washington.

President Faulkner has been given leave of absence by his companies. R. L. Spangler, who has been secretary of the three companies, has been made executive vice-president and it is understood will be in charge of their operations during Mr. Faulkner's absence.

### Smith Home Office Cashier

L. R. Smith, supervisor of the accounting department of Bankers Life of Iowa for many years, has been appointed home office cashier succeeding John L. Zwart, who retired April 30 under the company's retirement plan. He had completed 44 years of Bankers Life service.

American Mutual Life of Des Moines has applied for readmission to Oklahoma. It withdrew last July.

Kansas City Life is sponsoring scholarships in sculpture and ceramics in the seventh annual national high school competition in art being promoted by the Kansas City Art Institute.

## LIFE AGENCY CHANGES

### Ohio Appointments by Reliance Life

H. R. Hostettler has been appointed assistant manager of the Reliance Life's Ohio department. He has had 11 years experience in the life business, the last three years as supervisor in the Cleveland agency of Mutual Life of New York. In addition to his supervision duties, Mr. Hostettler paid for a substantial amount of personal production.

Educated at Marshall College, Huntington, W. Va., he was active in both baseball and football, and in 1928 and 1929 played professional football with the "Cleveland Panthers."

He will assist in handling the Cleveland agency, and his recruiting activities will also include 56 counties in Ohio.

Mr. Hostettler's headquarters will be in the Swetland building, Cleveland.

H. E. Kriss is appointed district manager in the Cleveland branch office. He has spent 13 years in the life business in Cleveland, the last three years with Union Central Life. In 1941 he paid for \$501,000.

A graduate of Ohio State University, Mr. Kriss was well known as an athlete. He held the inter-collegiate championship for the 100 and 440, and was also "All Big-Ten" halfback.

### B. M. A. Enters Maryland; Raleigh Is General Agent

Business Men's Assurance has been licensed in Maryland.

Walter A. Raleigh has been appointed general agent in charge of the company's office in Baltimore, which will handle life, accident and health and group, including group hospitalization.

The Sudbrook Realty & Insurance Agency also has been appointed to represent the company for accident and health and group lines, and this business is being handled by Carroll E. Collins.

With the extension of its activities into Maryland, Business Men's Assurance is now operating in 31 states and the District of Columbia.

### Long Made Arkansas Manager

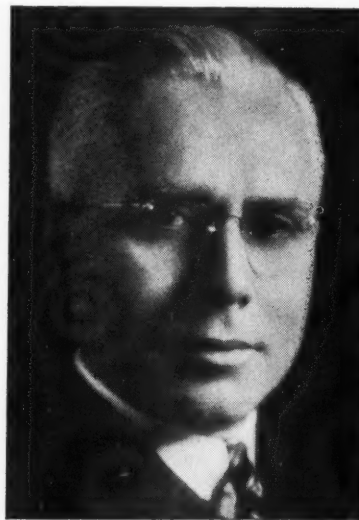
Frank L. Long, Sedalia, Mo., one of Kansas City Life's leading personal producers, has been appointed state manager for Arkansas. He led the company in 1941 in volume of life insurance sold and issued and was second in 1940.

### Slaton Is Dallas Manager

Reserve Loan Life has appointed Fred D. Slaton manager for the Dallas territory. He has been in life insurance in Texas for 15 years. The office is located at 1221 Kirby building, Dallas.

### Columbus Mutual's Plans for Chicago

The Columbus Mutual Life announces that Webster N. Stafford has been appointed director of field operations for Chicago, northern Illinois and northern Indiana. He will make his headquarters in Chicago and will have general supervision of the general agents in his territory. General agents are now being established in key centers in the field. The



WEBSTER N. STAFFORD

"Golden Rule" contract that is a feature of the Columbus Mutual Life will be used in appointments, thus giving not only the general agent but the rate book man the opportunity to participate in increased organization and larger profits. The income of the agent, therefore, is not confined merely to his personal production but is substantially increased by agency development, this meaning that he gets commission on the business of all agents that he appoints.

He will have temporary headquarters at One North La Salle street.

Mr. Stafford will take over the supervision of the present general agents in Chicago. His main object will be to tap the sources of income due to industrial activities and defense projects. Therefore, he is not so much interested in having agents in a business center as he is in building an organization on the outskirts or wherever wage earners are residing. The company realizes that these men are making much more money and therefore their buying power is greatly increased.

Mr. Stafford was formerly manager of the Chicago branch of the Occidental Life of Los Angeles and then went to the home office to become home office

### Canada Life Makes Toronto Promotions



P. J. Harwood



L. P. Brace

Canada Life has appointed L. P. Brace, formerly field assistant, as branch supervisor in Toronto and P. J. Harwood has been named field assistant there.

Mr. Brace became associated with Canada Life in 1937 in the Toronto City branch. He has been a member of the senior production club for the past four years.

Mr. Harwood joined the head office of Canada Life in 1930. After a period mostly devoted to group sales work, he went to New Brunswick as branch secretary and later to New York as cashier. While in New York, he was one of the founders of the Life Agency Cashier's Association there and was its first president in 1939.

supervisor. He has had some 20 years experience in life insurance work. He is a graduate of Northwestern University and two years after he left college he began selling life insurance for the old Illinois Life. His success brought him a district managership and then he became Chicago general agent. In 1933 he became Chicago manager for the Northwestern National Life, serving it for five years and

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C. C. Inman, Vice-Pres. and  
Agency Director



leaving a paid volume of \$12,000.00. He opened the Occidental Life office at One LaSalle Street, Chicago, in June, 1939.

### Von Deck to Washington for National Life, Vt.

Edward H. Von Deck has been appointed general agent of National Life



EDWARD H. VON DECK

of Vermont in Washington, D. C., succeeding Theodore W. Cook, resigned. Offices of the company will continue at 602 Edmonds building.

Mr. Von Deck has been in life insurance 17 years, 14 of them in Washington as cashier, agent, and supervisor for another company. The first three months of 1942 he paid for \$90,000 of business.

### Miss Matthews Heads Women

Miss Elsie Matthews, who has been with the John A. Ramsay agency of Connecticut Mutual Life in Newark since last September, has been appointed manager of the women's division of the agency. She is chairman of the women's program committee for the meeting of the N.A.L.U. in Minneapolis.

### American Mutual Names Two

E. W. Schedler has been appointed general agent for American Mutual Life at Stillwater, Okla. A friend of General Douglas MacArthur, he returned to this country in 1941 after spending 16 years in the Philippines and the Orient. He is a graduate of Oklahoma A. & M. College. From 1926-36, he was connected with Insular Life of Manila, and traveled throughout the Orient in his work. From 1937-40, he was general agent for Occidental Life. In 1941, he returned to represent Occidental Life at Davenport, Ia.

C. P. Earl has been named general agent for American Mutual at Sheldon,

### Mathematical Service Inventor Makes Change

Ralph P. Ross, inventor of a string of mathematical devices for rapid calculation of income, settlement options and social security benefits which are widely marketed throughout the country, has been appointed a general agent for Republic National Life to work out of the home office in Dallas.

Mr. Ross has lived in Texas since 1933, most of the time in Dallas. His first invention of wide use was Travelife, which was bought outright by the Investors Syndicate to form the foundation of its sales formulas. This device deals with investment income only.

Turning then to the insurance field, his next invention was the Settlement Option Datagraph, followed by the Social Security Datagraph, both of which are marketed by THE NATIONAL UNDERWRITER.

Working with John Leissler of the "Southwest Insurer," he then worked out a combination calculator which combined features of two preceding devices.

Next came the Measure-Master, and the Telefactor, both of which are marketed by the R. & R. organization.

Republic National Life was the first Texas company to adopt and use each of these devices.

Mr. Ross is specializing in the social security approach.



Ralph P. Ross

Ia. A graduate of Drake University, he was engaged in general sales work from 1930-38. Since then he has been with Midland National Life, and Mutual Benefit Life.

### Wills With Manhattan Life

Manhattan Life has appointed E. C. Wills agency organizer for southern California. From 1914 to 1928 Mr. Wills was general agent and later home office agency director of Bankers Reserve Life. From 1928 to 1934 he was agency vice-president of Liberty Life of Topeka, Kan., and from 1935 to 1940 was division manager for Ohio National Life in the southwest.

Al C. Collins, formerly with Republic National Life, in Phoenix, Ariz., has been made general agent of that company in Texarkana.

Commissioner Agger of New Jersey will speak at the convention of the New Jersey Bankers Association in Atlantic City May 14-16.

## LIFE SALES MEETINGS

### Four Pacific Mutual Regionals in May

Four regional conferences will be held in May by Pacific Mutual Life, inaugurating a series of round-table discussions with groups of general agents.

Programs will be built around the subjects of uniform induction, training, and sales procedures, with the general agents themselves and representatives of the home office participating. The meetings are set for Dallas, May 10-12; Chattanooga, Tenn., May 15-17; Edgewater Beach Hotel, Chicago, May 19-21, and Santa Barbara, Cal., May 25-27. Three days will be devoted to the discussions at each point.

H. Kenneth Cassidy, San Francisco general agent, will have charge of the programs and G. Campbell Janney, general agent in San Diego and president of the Pacific Mutual General Agency Association, will preside. Regional chairmen selected for the meetings are: Lem C. Swinney, Dallas; Theo. Hundley, Huntington, W. Va.; Earle Rappaport, Chicago, and Wooster Gist, Los Angeles.

Jul B. Baumann, Houston general agent and trustee of the National Association of Life Underwriters, and E.

Walter Albachten, Detroit general agent, who is chairman of the executive committee of Pacific Mutual Agency Association, are expected to attend the conferences in Texas, Tennessee and Chicago. Representing the home office at all of the conferences will be Asa V. Call, president; W. M. Rothaermel, vice-president; Jens Smith, manager of agencies; Walter R. Hoefflin, agency supervisor; Malcolm C. White, manager of field training, and Carter Bryant, manager of recruiting and induction.

### Equitable Has Fargo Meeting

Equitable Society is holding a five-day sales conference in Fargo, N. D. this week. Dan Mason, home office instructor, is conducting the conference.

Managers in attendance are A. B. Shea, Minneapolis; George Bowers, Fergus Falls, Minn., and Nels Bjelland, Marshall, Minn., together with 25 agents from North Dakota and Minnesota. W. J. Johnson is Fargo manager.

### Eastern Life Holds Rally

Leading agents of Eastern Life were entertained at a dinner meeting in New York. President Louis Lipsky made a plea for the calm pursuit by insurance men of their essential civilian enterprise. He said it is important to build



THIS newest Flying Fortress . . . larger and more deadly than any of its predecessors . . . is "One Of The Best" offensive weapons aiding our armed forces in their drive for Victory. Central Life . . . with \$1.10 of assets for each dollar of liability, a ratio well above the national average . . . also is recognized everywhere as "One Of The Best."

**CENTRAL LIFE**  
ASSURANCE SOCIETY

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HOME OFFICE • DES MOINES

### MAY

When prospects have no Christmas bills, income tax payments, or fuel bills. An excellent time to consider life insurance. Alliance Life salesmen have the added stimulus of the "ANNUAL SWEEPSTAKES."

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up a sense of personal security in the midst of world anarchy.

Abraham Alexander stated that he has placed a plan before the Treasury department for the conversion of accumulated dividends of life policies into war bonds. Vice-president Harry Yarin reported that gains have been made in all branches of the business. Other speakers included Nathan Ben-Dov Waldman, leading producer, and Leonard Boniel of Brooklyn.

#### Wis. National Supervisors Meet

OSHKOSH, WIS.—Field supervisors of Wisconsin National Life held a two-day meeting at the home office here to discuss life, accident and health production under wartime conditions. G. A. L'Estrange, agency director, was chairman. Other home office officials participating included Dr. J. M. Con-

lev, medical director; A. C. Eastlack, actuary, and O. A. Lichtenberg, treasurer. L. N. Ressler, Galesburg, Ill., won a war bond for the greatest increase in business in February and March in his territory. George Sanders of Springfield, Ill., was presented a war bond for producing the largest amount of accident and health business during Accident & Health Insurance Week.

#### Mutual Trust Wisconsin Rally

M. B. Herner, general agent Mutual Trust Life, Appleton, Wis., was host to the spring educational meeting of agents and general agents in northeastern Wisconsin. Speakers from the home office were A. B. Slatengren, vice-president; W. R. Goode, director of field service, and Stacy Merchant, assistant director of agencies.

were: President W. A. Crowder, Bankers Life, Iowa; J. H. Harrop, Equitable Society, and A. H. Hakenson, California-Western States Life. While no definite conclusion was reached, the consensus seemed to be that something would have to be done in the way of financing salesmen if the proper standard of agents is to be maintained. Methods of financing outlined included payment of salaries and commission; loans and advances.

#### Linton in Kansas City

M. A. Linton, president of Provident Mutual Life, discussed current life insurance problems with members of the General Agents & Managers Association of Kansas City at a meeting there.

## CHICAGO

#### LIFE MANAGERS' GOLF DAY

The annual golf outing of the Life Agency Managers of Chicago will be held at Elmhurst Country Club June 4. J. H. Brennan, Fidelity Mutual, is president and L. S. Broadus, Guardian Life, arrangements chairman. Supervisors, assistant managers and assistant general agents will be guests. Many golf prizes will be offered. There will be entertainment at the dinner.

#### DR. DINGMAN SPEAKS MAY 19

Dr. H. W. Dingman, vice-president and medical director of Continental Assurance, will address a dinner meeting of the Life Agency Cashiers division of Chicago May 19. Mildred Krech is president and A. Shevlin, Prudential, program chairman. The cashiers will complete plans for the sale of war savings bonds in movie theatre lobbies at a meeting May 8. The division volunteered to assist in recruiting workers.

#### LIFE-TRUST COUNCIL MEETS

The annual dinner meeting of the Chicago Life Insurance & Trust Council will be held May 27 in the Chicago Bar Association quarters. Don Cameron, Continental Illinois National Bank, is president. Chet Shafer, Three Rivers, Mich., editor and columnist, will speak. E. B. Thurman, general agent New England Mutual, is program chairman. There will be a fellowship hour. G. S. Brown, Penn Mutual, is nominating committee chairman.

#### VERMILLION HAS HOUSEWARMING

The Gifford T. Vermillion agency of Mutual Life in Chicago was host to dozens of well wishers Tuesday afternoon at the opening of its new offices in 120 South LaSalle street. There were a great number of bouquets. The offices are especially light, and efficiently and attractively arranged. Mrs. Vermillion was present to assist in greeting the visitors.

#### Ill. Bankers Awards Stated

Illinois Bankers Life in lieu of holding its annual Leaders Club convention this year, will present to each producer that qualifies a \$75 war bond and those that become officers of the club will receive suitable plaques. The club year ends June 30.

## PROPERTY MANAGEMENT

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MANAGEMENT SALES  
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## AGENCY MANAGEMENT

### Analyze New Life Applications

An interesting study of 200 life insurance applications was presented by R. W. Sinz, Retail Credit Company, at a meeting of the San Antonio (Tex.) Life Managers Club. The applicants were distributed among carpenters, truck drivers, oilfield workers, and mechanics. One salesman appeared in the group. The age range was 30-35 and the average policy was \$1,800 to \$2,000. There was a \$15,000 policy and five for \$10,000 each. Seventy-five percent of applicants were men who could not have paid for ordinary life insurance a year ago, he said.

The number of applications received shifts from time to time as defense projects are completed and workmen move from one locality to another. The types of policies are the family policy, covering the entire family group, and educational policies for children, based on the lives of the parents. There also has been an increase in the number of applications received on the lives of women, many of whom were not earning any income six months ago.

Ronald Vincent, Travelers, spoke on "Morale," saying maintenance of the agent's morale is a challenge to the agency manager. He suggested managers go out with agents and sell business on lists of 10 prospects. Results will startle managers both as to new business volume and improved attitude of the agents.

#### Recommends Conference Method

Mr. Vincent advised calling an agent in for a personal conference and securing from him an admission that he can measure up to certain standards, such as number of calls and ratio of sales to calls. The thought back of this is to motivate the agent to accomplish definite ends through consistent planned effort which his own self-respect demands he must achieve.

W. A. Gamble, California-Western States Life, discussed conserving agent's tires by lessening the number of service calls, especially for collection of premiums. He has found difficulty in getting agents to realize the importance of tire conservation.

W. C. Abbey, Connecticut General Life, reported recapping of tires is not now available to life agents but there are indications the restriction on recapping will be liberalized.

### Lynch New President of San Francisco Managers

SAN FRANCISCO—Lloyd J. Lynch, John Hancock Mutual Life, was elected president of the San Francisco General Agents & Managers Association. He

succeeds Donald A. Hampton, Provident Mutual Life. He was vice-president last year.

Gilbert Ball, California-Western States Life, was elected vice-president, and Clifford Henderson, Prudential, secretary-treasurer.

Malcolm L. Williams, new San Francisco manager for Murrell Brothers, general agents of Mutual Benefit Life for the state, was introduced.

Commissioner Caminetti was requested to delegate a member of his staff to appear at a meeting next Monday to explain the proposed constitutional amendment which seeks to equalize taxes of companies operating in California.

R. Edwin Wood, Phoenix Mutual Life, led the scheduled discussion on "Training and Supervision." Managers generally seem to believe in the efficacy and necessity of providing agents with a background of the mathematics of life insurance; they believe in a prepared presentation and, in the case of country agents, they believe in bringing them to San Francisco for training; during the initial period of service there is no "split" in commission earned by new agents.

Mr. Wood urged simplicity in selling and establishment of four steps in the mind of the agents: Finding the probable buyer, getting along with the probable buyer, coming to agreement with him and getting his commitment. He stressed the importance of watching the new agent work and making practical suggestions rather than doing the work for him.

#### Views Opportunities for Women

CINCINNATI—Miss Mildred F. Stone, agency field secretary of Mutual Benefit Life, addressed the Life Insurance Cashiers & Secretaries Association on "Opportunities for Women in Life Insurance Today." Miss Stone is also vice-president of the League of Life Insurance Women of New York and chairman of the program committee for women's day at the National Association of Life Underwriters' convention in Minneapolis.

#### Milwaukee Cashiers to Elect

The Life Insurance Cashiers Association of Milwaukee will hold its annual meeting May 12, following a dinner. The nominating committee has prepared the following slate: President, Harry Unke, Northwestern Mutual, and Alfred Pahlow, Old Line Life of America; vice-president, James Stadler, Lincoln National, and W. A. Kleinschmidt, Prudential; secretary-treasurer, Agatha Schott, Connecticut General, and Irene Smith, Central Life of Iowa.

#### Financing Agents Utah Topic

"Financing Agents," was discussed for the second time by the Utah Life Managers Association at the April meeting in Salt Lake City. Speakers who related their own personal experiences

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## LEGAL RESERVE FRATERALS

### Nearly 1,000 Attend Fraternal Week Rally in Chicago

Nearly 1,000 staunch fraternalists and their friends attended the Chicago observance of National Fraternal Life Insurance Week presided over by the able national chairman, C. D. DeBarry, sales director Catholic Order of Foresters.

It was a colorful affair with bag pipes and dancers from Order of Scottish Clans in full regalia, and costumed Polish folk dancers from Polish National Alliance and Polish Roman Catholic drill team. The rally is being held at the bachelors' and tap dancer and the Woman's Benefit Association chorus and a Ladies' Catholic Benevolent Association vocalist rendered excellent musical numbers.

The high point in the brief speaking program was the patriotic talk of Thomas R. Heaney, high secretary Catholic Order of Foresters and president of the National Fraternal Congress. He pointed out the advantages of fraternal lodge membership and the essential role the lodges are playing in the war effort. Walter C. Below, president Fidelity Life and president of the Illinois Fraternal Congress, extended greetings.

Fraternal organizations in America are playing an important role in the war emergency and they will play even greater and more important roles in the reconstruction period that follows peace, E. F. Barnes, supervisor fraternal division, Illinois insurance department, declared.

Fraternal organizations are equipped to build a high standard of morale among the armed forces of the nation while at the same time they are stimulating new interest in lodge work, Mr. Barnes stated. The possibilities for members to carry on numerous efforts for helping the government are almost without number.

#### SAN FRANCISCO GATHERING

The northern California observance will feature a mass and patriotic rally in San Francisco the night of May 9 sponsored by the northern branch of the California State Fraternal Congress with Miss Beatrice Boland, Maccabees, as chairman. Walter McGovern, San Francisco attorney and president of the police commission, will speak. There will be special flag ceremonies under the auspices of Neighbors of Woodcraft and Royal Neighbors will present its famous drillteam. The rally is being held in the headquarters of the Independent Order of Foresters.

The main Texas observance will be the afternoon of May 10 in Dallas, with Farrar Newberry, Woodmen of the World, Omaha, and N. F. C. executive committee member, as speaker.

T. L. McCullough, president Praetorian Life and past president N. F. C. will introduce Mr. Newberry.

Other meetings will be held in San Antonio and Austin.

Lena Alexander Shugart, state manager Woodmen Circle, Garland, is president of the Texas Fraternal Congress which is handling arrangements. Mrs. Lona Skinner, Degree of Honor, Fort Worth; Mrs. Eva Huskey, Royal Neighbors, Greenville; Ruben Young, Maccabees, Dallas and W. B. Carsow, Woodmen of the World, Austin, past presidents Texas congress, will be presented.

#### Evans Is Publications Head

Harry G. Evans, now of Crawfordsville, Ind., formerly telegraph editor of the Louisville "Times" and later managing director of the Louisville Convention & Publicity League, has been appointed supervisor of publications for Ben Hur Life.

### Canadian Group Is Meeting May 11-13 at Niagara Falls

TORONTO—The Canadian Fraternal Association will hold its annual meeting May 11-13 at the General Brock hotel, Niagara Falls, Ont. The evening of May 11 department heads will meet to prepare reports. May 12, Mayor George Inglis will extend welcome. Superintendent Finlayson of Canada and Superintendent McNairn of Ontario will speak. E. W. Thompson, supreme commander of Maccabees, will discuss "International Brotherhood."

There will be a banquet that evening at which W. J. McCullough, foreign editor Hamilton Spectator, and Thomas R. Heaney, president National Fraternal Congress, will be the speakers.

#### Others Who Will Speak

An address by Arthur C. Powell, chairman of fieldmen's section, is scheduled May 13, followed by talks by J. D. Butkovich, president Croatian Fraternal Union; Mrs. Mary Baird, Dominion supervisor, Woman's Benefit; M. J. Smith, honorary treasurer Canadian Life Insurance Officers Association; W. W. Dunlop, past supreme chief ranger, Independent Order of Foresters; Alex O. Benz, president Aid Association for Lutherans; and J. P. Vallerand, actuary L'Alliance Nationale. Mr. Benz will speak on "The Part Life Insurance Plays in the Defense Program of America," and Mr. Vallerand on "The Rights of the Beneficiary of a Life Insurance Policy under the Quebec Law."

### Washington Congress Meets in Seattle June 20

The annual convention of the Washington State Fraternal Congress will be held in the New Washington Hotel, Seattle, June 20. Business sessions will begin at 10 a.m. and a banquet will be held at night.

T. J. Ivers, Catholic Order of Foresters, is president and C. D. Robinson, fraternal supervisor Washington insurance department, is secretary. The

### N. F. C. Address Stresses Strength of Fraterals

Mrs. Grace W. McCurdy, head of Royal Neighbors and member executive committee National Fraternal Congress, prepared the address which was distributed by the N.F.C., and was being presented this week by speakers throughout the country during National Fraternal Life Insurance Week. It stressed that the 200 fraternalists possess nearly 1½ billions of assets and since 1868 have paid to members and their families benefits totaling more than 5½ billions. There are now 8,000,000 members with approximately \$7,000,000,000 of life insurance in force.

The fraternal life system is a bulwark of the nation because of its patriotic background and its continuing contributions to sound Americanism over the years. But also, the address emphasized, the societies are lending practical assistance to government by purchasing defense bonds and inducing members to do so; by their social welfare work, taking care of sick and aged members and orphans.

#### THE WOMAN'S BENEFIT ASSOCIATION

Founded 1892

A Legal Reserve Fraternal Benefit Society

Bina West Miller Supreme President Frances D. Partridge Supreme Secretary

Port Huron, Michigan

arrangement committee is Mrs. Violet Lundstedt, chairman, Neighbors of Woodcraft; A. W. Peeler, Royal Arcanum; Mrs. Daisy B. Nash, Royal Neighbors; Jim Harry, A.O.U.W. of Washington; A. B. McLean, Catholic Order of Foresters; Mrs. Elva Choate, Woman's Benefit, and Mrs. Leslie Kingsbury, Degree of Honor.

### Philadelphia Actuaries Take Up War Problems

The Actuaries Club of Philadelphia held its annual meeting with Penn Mutual Life as host. Henry Bossert, Jr., assistant manager of agencies Provident Mutual, retired as secretary-treasurer, after a two year term. B. F. Blair, Provident Mutual was elected secretary-treasurer.

Problems arising from war conditions were discussed. J. M. Huebner, assistant to the vice-president Penn Mutual, spoke about compliance with Treasury ruling concerning blocked funds and transactions with enemy nationals. C. E. West, assistant actuary Provident Mutual, discussed precautions to be taken against the destruction of vital records as a result of war. J. L. Milne, actuary Presbyterian Ministers Fund, took up tentative proposals for increased taxes on life companies.

## IN U. S. WAR SERVICE

Dr. Donald B. Armstrong, third vice-president of Metropolitan Life in charge of welfare services for policyholders, has been appointed a senior surgeon in the reserve corps of the United States public health service, a title equivalent to that of lieutenant colonel in army ranking. The appointment, made by President Roosevelt, places Dr. Armstrong on an inactive status, without compensation, unless emergency makes necessary the calling of additional aid of physicians with public health training. For the present he continues with the public health, nursing, health educational, and medical research activities of the Metropolitan's welfare division. These facilities are being utilized more and more by the government's armed forces.

Sterling Updyke, on leave as Arkansas general agent of Home Life of New York, has been inducted into the army with rank of captain. He reported at Jefferson Barracks, Mo., for assignment.

L. H. Malenfant, special agent of New York Life in Pittsburgh and a director of the Pittsburgh Life Underwriters Association, has received a commission as captain in the anti-aircraft corps. He served in the marines in the first world war and helped drag Floyd Gibbons, war correspondent, to safety when Gibbons was wounded.

G. Preston Kendall, formerly agency secretary of Washington National, and more recently in the investment department of that company, who has been an army reserve officer for some time, has been called to active service with the rank of second lieutenant and is stationed for the present at Camp Grant, Ill.

P. B. Putnam, assistant manager of the Travelers in Los Angeles, has been called into service as a captain in the aviation division of the army.

## ACCIDENT

### Conn. General Enters Field of "Nonoccupational"

Connecticut General Life announces that it will insure those persons engaged in defense work and more hazardous occupations for injuries not arising out of, or sustained in any employment for wage or profit.

George Goodwin, secretary of the accident department, states that recent developments have brought about a need for this form of protection. Changes due to the war are resulting in a shift for many present policyholders from white collar jobs to some form of war industry, resulting in a material increase in premium if they are to continue their full time coverage. Many of these men feel that the premium is more than they can afford, particularly when, as is usual, they are now covered by compensation insurance. They have become accustomed to carrying accident insurance, value it highly, and do not like the idea of being without protection for the many types of injuries to which everyone is exposed, entirely aside from any occupational hazards. Most of them have little or no protection against loss of life, loss of time, or loss of savings that result from the ever present personal accident hazard off the job.

In order to care for present policyholders going into the industrial field and retain these clients, and, also, in order to enable agents to take care of this vast new field, Connecticut General decided to provide nonoccupational coverage for individuals engaged in occupations classified below C. It is prepared to issue on satisfactory applications policy forms TS, TWS, TD, or TR, subject to a rider which will exclude injuries arising out of or sustained in the course of any employment for wages or profit.

"By the use of this rider we can offer very real protection on a nonoccupational basis at a comparatively low rate, the cost being the same to all eligible risks in the same age group," Mr. Goodwin states. "The premium charged will be that shown in the rate book for the respective policy forms when issued in Class A."

"This form of protection is designed especially for the worker who is covered by workmen's compensation while engaged in his occupation, and nonoc-

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THE PIONEER OF FRATERNAL LEGAL RESERVE SOCIETIES

Provides All Popular Forms of Life and Disability Insurance

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Home Office—Fargo, N. D.



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309 W. Jackson Blvd., Chicago

cupational policies should be sold only to such persons.

"These contracts will be offered in amounts up to \$5,000 principal sum, \$25 weekly indemnity and \$1,000 medical reimbursement, subject to the usual 80 percent rule."

### Ferguson Joins Occidental Life; Anderson Advanced

In a rearrangement of the supervision of its accident and health activities in the central west, Occidental Life of California has appointed E. H. Ferguson, who has been assistant secretary of Great Northern Life in charge of its commercial accident and health department, as division manager with headquarters in Chicago, covering several central western states.

A. D. Anderson, whom he succeeds in that position, is being advanced to a prominent position in Occidental's agency executive staff. He will remain in Chicago for the present to assist Mr. Ferguson in taking over his work. Further announcement regarding his new activities will be made shortly.

Mr. Ferguson is the immediate past president of the National Association of Accident & Health Underwriters and a former president of the Chicago association, as is Mr. Anderson, who was with Continental Casualty in accident and health work for nine years before joining Occidental in 1940.

J. P. Kennedy, who has been manager of the accident and health division of Commercial Casualty in Chicago, has been named accident and health supervisor of Occidental there under Mr. Ferguson.

### Drop Bureau Meeting at Rye

NEW YORK—As a conservation measure, the governing committee of the Bureau of Personal Accident & Health Underwriters has abandoned its original purpose of holding the annual meeting at the Westchester Country Club, Rye, N. Y., June 4-5, and instead, decided on a one-day session at Pennsylvania Hotel in this city June 5.

### "Victory" Policy Premium

The premium under the "victory" accident and health policy of Illinois Bankers Life for group 1, which includes all classifications down to F, was incorrectly stated in a recent issue. For that group, the premium for \$2,000 principal sum and \$100 monthly under the "regular" policy, eliminating the first seven days of illness indemnity, is \$60 annually and for the "special" policy, paying from the first day, \$75.

### Plan Seattle A. & H. Congress

Fred C. Becker, Great-West Life, is general chairman of the all-state sales congress sponsored by the Seattle Accident & Health Managers Club, it is announced by President H. R. Henderson, Massachusetts Protective. Paul R. Green, Aetna Life, is program chairman. The congress will get under way with a luncheon, followed by a full afternoon program of talks and sales demonstrations on accident and health coverages.

### Home Life Agency Winners

The Home Life of New York quarterly awards for agency building progress went to the following:

The T. W. Callihan agency, Boston, the award for quality business, based on low business credits; the Warren H. Preble agency, Boston, new organization plaque with the best record of paid volume from representatives in their first or second year; Prewitt B. Turner agency, Kansas City, quality organization plaque, with the greatest proportion of representatives paying for business at the rate of \$150,000 or more per year, and the Lester Horton agency, Newark, consistent producers plaque for the best record of consistent monthly production.

## NEWS OF LIFE ASSOCIATIONS

### Texas Association Schedules Leaders at Annual Meet

DALLAS—Several speakers for the annual convention of the Texas Association of Life Underwriters at Lubbock, June 4-5, have been announced by President Francis G. Bray, New England Mutual Life, Houston. The tentative schedule includes: John Witherspoon, Nashville general agent John Hancock Mutual Life and president National Association of Life Underwriters; Life Commissioner Lockhart of Texas; A. L. Dern, vice-president and director of agencies Lincoln National Life, "Life Insurance in a War Torn World"; George L. Maltby, Kansas City, Kan., district agent Equitable Life of Iowa, "Do You Want to Be a \$250,000 Producer"; Frank McFarlane, Aetna Life, Cleveland, "Substantial Production Through Client Building"; Buster Klein, Southwestern Life, Beaumont, Tex.; and Major Victor Grant, general counsel and public relations director Chain Store Association of Colorado who spoke at the National association's mid-year meeting in Memphis. One sales congress and a banquet speaker will be announced later.

#### Two Opening Sessions

The program will open with the general agents and managers session Thursday morning and a breakfast and business meeting of the Texas Leaders' Round Table at the same time. That afternoon the sales congress portion of the program will begin. The banquet sponsored by the general agents and managers section will be held that night, with Mr. Lockhart as the principal speaker.

Mr. Witherspoon will speak the second morning, during which the association's business session will be held and officers will be elected. The convention will assemble for a luncheon at which the certificate of honor will be presented to the immediate past president. The sales congress program will continue that afternoon. The final banquet that night will honor members of the Leaders' Round Table. The president's ball will follow the banquet.

#### Barbecue Is Projected

As many of the agents attending the convention are expected to reach Lubbock on Wednesday, a barbecue will be given for those present that night by Harry Sloan, Fort Worth manager Farmers & Bankers Life, on behalf of his company. There will be golf during the afternoon and a western dance that night.

### New Jersey Sales Congress Speakers Are Announced

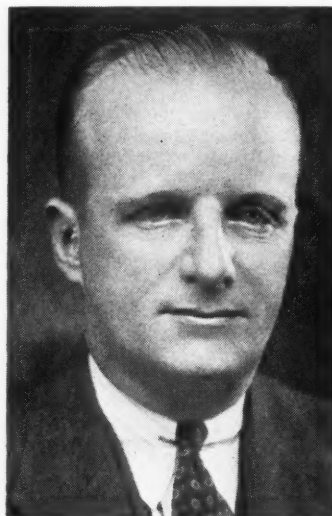
NEWARK—Final plans have been made for the sales congress of the New Jersey Association of Life Underwriters at Asbury Park, June 5. Five local associations will take part and an attendance of more than 300 is expected.

Among the speakers will be Commissioner Agger of New Jersey, who will discuss "The Economic Trend"; Max C. Fisher, assistant secretary field training division Metropolitan Life, "Under-Currents"; R. J. Dolwick, supervisor of agencies Phoenix Mutual Life, "Supervision"; H. B. Berwick, supervisor field service Manufacturers Life, "Training and Supervision," and A. R. Jaqua, associate editor "Diamond Life Bulletins."

The state association and the Life Underwriters Association of Northern New Jersey will elect officers. John W. Wood, Prudential, is chairman of the arrangements committee.

### Pick Ramsay for Newark Association President

NEWARK—John A. Ramsay, general agent Connecticut Mutual Life has been nominated for president of the Life Underwriters Association of Northern New Jersey. The association's annual meeting will be held in conjunc-



JOHN A. RAMSAY

tion with the sales congress of the state association at Asbury Park June 5.

Other nominations are: First vice-president, John W. Wood, Prudential; second vice-president, Philip J. Torsney, Metropolitan Life, Bloomfield; treasurer, J. Stanley Dey, Manufacturers Life; secretary, Lester Horton, Home Life; directors, Harold Nenninger, Connecticut Mutual; Fred S. Fern, National Life of Vermont and Fred Hagney, Prudential.

Mr. Ramsay started in life insurance with Penn Mutual Life in Newark. He was appointed general agent of Connecticut Mutual in 1937 to succeed C. J. Zimmerman, when he was sent to Chicago.

### Current Problems Before Detroit Sales Congress

DETROIT—A panel discussion of current problems was the outstanding feature of the annual sales congress of the Qualified Life Underwriters. L. L. Mackey, Home Life, vice-president of the Detroit C.L.U. chapter, presided. Speakers who used diagrams and

charts to emphasize their points were: F. M. Minninger, Connecticut General; J. D. Barlow, Northwestern National; F. A. McCartney, Equitable Society; H. B. Ruhl, Northwestern Mutual; R. J. Horton, Massachusetts Mutual; F. C. Heath, Mutual Life, N. Y., and H. N. Phillips, Sun Life.

At other congress sessions Donald F. Lau, Massachusetts Mutual, spoke on "Selective Prospecting in Detroit's Market." Juvenile insurance was discussed by Stewart N. Loud, Great West. M. A. Clark, manager industrial and public relations of U. S. Rubber Co., spoke on "Group Insurance From the Employer's Viewpoint." John A. Witherspoon, president National Association of Life Underwriters, was the luncheon speaker. He outlined the major objectives of the association for the current year.

### Expect Big Attendance at New York State Congress

BUFFALO—More than 1,000 life men from all parts of New York state are expected to attend the annual sales congress of the New York State Life Underwriters Association here May 16. Claude C. Jones, Connecticut Mutual, is general chairman.

William G. Power of the Chevrolet division of General Motors Corporation, considered one of the most effective platform personalities in the country, will speak on "Step Out and Sell."

The state association will hold its annual business meeting and election of officers the afternoon of May 15. Edward R. Gettings of Albany is now state president. That evening the Buffalo Life Manager Association will hold a reception and dinner for delegates. Tower C. Snow, managers association president, will preside.

Women underwriters of Buffalo will give a dinner party May 18 in honor of Miss Beatrice Jones, president of the New York City Life Underwriters Association and one of the principal speakers of the sales congress. Miss Bess Barnett is chairman.

### Galesburg, Ill., Caravan Program Successful

An all-day caravan meeting was held at Galesburg, Ill., by the Illinois Association of Life Underwriters, with the Galesburg association as host. K. S. Hawkinson, Galesburg association's president, extended welcome. Rudolph Busch was chairman in the morning and presented F. A. Schnell, Peoria general agent Penn Mutual, new state president-elect.

Mr. Schnell explained the need for an association today, emphasizing a powerful organization is required to reform bad insurance laws and fight for the welfare of policyholders and agents. L. S. Broadus, Chicago manager Guardian Life, in a talk said agents must keep careful watch over their efforts in the years ahead so they may know how

## Tomorrow's Needs...

Next to food, clothing, and shelter for today, a man and his family need most a guarantee of food, clothing, and shelter in the days to come. Life insurance gives that guarantee. You, as a life underwriter, are fulfilling an important duty to society by helping men and women to provide for themselves guaranteed future security.

**Shenandoah Life Insurance Co., Inc.**

Roanoke, Virginia



much extra effort is necessary to build up their business. Women are becoming policyholders more rapidly because they are taking an increasing part in business and will be much more self-dependent due to the war, he said. Mr. Broadbudd suggested policies be combined with the buying of defense bonds, and that by setting up a regular bond-buying program for 10 years, plus a 20 year insurance policy, the maturing bonds after 10 years would take care of the balance of the premium payment.

After luncheon Hugh D. Hart, vice-president Illinois Bankers Life, spoke. Dr. J. H. Pearce, blind agent of Peoria, talked on "Old Policyholders." He had just returned from a trip to the east coast, having qualified for the Dependables Club of Connecticut Mutual.

J. D. Moynahan, Berwyn, Ill., manager of Metropolitan Life and president American Society of C.L.U., urged that life agents raise the standards of their business and make it a profession. He spoke on "Today's Market," citing changes that have come to the insurance world since Pearl Harbor and warning that the agents are in for much hard work.

### Outstanding Speakers for Missouri-K. C. Meetings

KANSAS CITY—The Missouri Association of Life Underwriters will hold annual meeting here May 19, to be followed May 20 by a "war time sales congress," sponsored jointly by the state and Kansas City associations. Prewitt B. Turner, Home Life, Kansas City, heads the state group.

Besides committee reports and other business, the state session will include a general agents and managers conference, of which Wayne Clover, Penn Mutual, Kansas City, is chairman. John Witherspoon, National association president, and Judd Benson, home office general agent of Union Central, will speak at this session. There will also be a seminar, with a four-man panel. Chairman is Herbert A. Hedges, Equitable of Iowa, Kansas City, National association secretary.

The sales congress, with J. F. Trotter, Mutual Life of New York, general chairman, and W. L. Butler, Business Men's Assurance, president of the Kansas City association, presiding, will have six speakers. One is Superintendent Scheufler of Missouri.

Other speakers and subjects are: Mr. Benson, on "War Morale;" Philip B. Hobbs, Equitable Society, Chicago, national committeeman, "Four Essentials of 1942;" "Victories of the National Association;" Mr. Witherspoon, "The National Association Marches On," and Robert K. Ryland, acting regional director, Office of Government Reports, "Rumors."

### Announce Michigan Speakers

BAY CITY, MICH.—John A. Witherspoon, president National Association of Life Underwriters, will be the principal speaker at the Michigan association's annual meeting here May 22. Walter Ruterbusch is convention chairman.

Other speakers will include: Galen Starr Ross, psychologist; H. Loree Harvey, Kalamazoo, president of the state association; W. S. Penny, director of agencies Sun Life of Canada; John D. Moynahan, Chicago, president American Society of C. L. U.; Floyd C. White, Michigan C. L. U. chairman, and Dr. H. W. Dingman, medical director of Continental Assurance.

Dr. Dingman and Mr. White will speak at the dinner for Michigan Life Leaders, made up of men having \$250,000 annual production records.

### Issue Minneapolis Roster

MINNEAPOLIS—A neatly printed roster of the Minneapolis Association of Life Underwriters has been issued. It contains an alphabetic list of members and also an alphabetic list of associated companies and agencies with current

address, telephone number and the names of the general agent or manager and the agency cashier. The association's general committee in charge of the National association convention in August as well as chairman of the several sub-committees are given.

### Cal. Associations Unite to Hear C. J. Zimmerman

SAN FRANCISCO—Members of the Sacramento, San Jose, Stockton, Fresno and Chico associations attended the luncheon meeting of the San Francisco and Oakland-East Bay Life Underwriters Associations here when C. J. Zimmerman, chairman of the National association's federal law and legislation committee, spoke on "Priorities in Life Underwriting—1942."

Previously the San Francisco association has provided "caravan" programs for these associations each spring. This year members of the local associations formed "caravans" of their own to attend this meeting.

Mr. Zimmerman spoke before the Portland and Seattle associations before coming to San Francisco, and speaks at a breakfast meeting of the Los Angeles association Friday.

Mr. Zimmerman also will speak at a special meeting of the Life Insurance Managers Association of Los Angeles at noon the same day.

### Minn. Meet in Mankato May 21

ST. PAUL—The annual meeting of the Minnesota Association of Life Underwriters will be held at Mankato May 21. Besides the business session and election of officers a speaking program is being arranged. Because the National association meeting will be held in Minneapolis in August the state association will make an effort to stir up state-wide support of the national gathering. Carl Kleifgen, Metropolitan Life, St. Paul, is president of the state association.

### Form Marion, Ind., Association

The Marion (Ind.) Association of Life Underwriters has been organized and has elected officers for the remainder of the fiscal year ending July 1. Ernest J. Mason, Midland Mutual, is president; Charles Vey, Bankers Life of Iowa, vice-president; Paul Streib, Prudential, secretary and J. R. Claxson, Metropolitan, national committeeman. Mr. Claxson also heads the local war bond sales committee. The Marion association is the 19th in Indiana.

### Portland Congress Attracts 400

PORTLAND, ORE.—The annual sales congress of the Portland Life Underwriters Association attracted an attendance estimated at close to 400 from Oregon and southern Washington. L. J. Beaucage was general chairman of the event. Speakers were C. J. Zimmerman, former president National association, on "Priorities in Life Underwriting—1942;" Clifford L. More, Phoenix Mutual manager in Seattle, "Answering Today's Objections;" Prof. Arnold Perstein, public speaking department University of California, "What It Takes to Talk," and William N. Boyd, Aetna Life, Seattle, "Time Rationing."

The congress opened with a luncheon at noon. George W. Schoeffel, superintendent of agents of Oregon Mutual Life, presided at the afternoon session.

Milwaukee—Gifford T. Vermillion, manager of Mutual Life in Chicago, will speak on "Motivating and Securing Action," May 21.

San Francisco—"Refueling—for you can't go any place on an empty tank," a discussion of prospecting, will occupy women members at a luncheon meeting May 14. E. D. Antoniu of the U. S. employment service, will show where they will find able women in executive positions in ever-increasing numbers. Other speakers will be Mrs. Gertrude Forsyth, Aetna Life, who has just returned from

a year's pleasure trip to South America, and Mrs. Katherine Noble, formerly of Penn Mutual, who will discuss "Making Your Business a Game."

Petersburg-Hopewell, Va.—W. H. Andrews, Greensboro, N. C., trustee National Association of Life Underwriters, was guest speaker at a meeting in Petersburg. He stressed the importance of life insurance in war time and the effect of war on the insurance business. A healthy mental condition must be maintained. Mayor Hamilton of Petersburg praised the life men for their defense bond work. President C. C. Nelson announced the annual meeting of the Virginia association will be held at Roanoke, May 9.

Youngstown, O.—Life Underwriters from Canton, East Liverpool and Warren were guests at a meeting at which Dr. S. S. Huebner, president American College of Life Underwriters, spoke.

Fox River Valley, Wis.—Alfred Korbel, Central Life of Iowa, Milwaukee, and chairman of the life insurance information committee of the Wisconsin association, spoke at the monthly meeting in Oshkosh on "There Will Be Some Changes Made." War measures adopted in other countries may be adopted in U. S., such as permitting no men be-

tween 17 and 45 to be placed in sales positions.

The following were nominated for election in June: President, Carl Sherry, Appleton; vice-president, Ed Manning, Appleton; secretary, Robert Kellett, Oshkosh; treasurer, L. E. Host, Oshkosh; directors, C. J. Krutzberg, E. P. Kasch, E. A. Grueske, Appleton, and Greg Sitter, Oshkosh.

Chicago—Arthur S. Potwin, attorney of Connecticut Mutual in Hartford, will speak on business insurance at a clinic May 15. Open forum will follow.

Joliet, Ill.—A. J. Zern, unit manager of the R. J. Wiese agency of Northwestern National Life in Chicago, will speak at a meeting May 14 on "Life Insurance and a World at War."

Springfield, Mass.—Dewey Mason, Aetna Life, Syracuse, made a big hit in his appearance here Monday.

Boston—The meeting May 15 will be past president's day, with F. G. Bray, general agent New England Mutual Life, Houston, Tex., talking on "The Fighting Selling Heart."

Oklahoma City—H. A. Hedges, Equitable Life of Iowa, Kansas City, secretary of the National association, will speak May 15.

## VIEWED FROM NEW YORK

By R. B. MITCHELL

### NEW BOOK PUBLISHED

Two agents of the Meyer M. Goldstein agency of the Connecticut Mutual Life in New York City have written a book, "Understanding Life Insurance." The authors are Isadore Dretzin and Simon A. McAvoy. It has been published by the Crown Publishers, 410 Fourth avenue, New York City, costing \$2. It is intended to be a guide for agents, lawyers, accountants and those whose function it is to provide reliable information and sound advice to their clients.

The chapter headings are: "What a Life Insurance Policy Is," "Planned Income for the Beneficiary," "Retirement Income from Cash Values," "The Social Security Act and Life Insurance," "The Effect of War on Life Insurance," "Term Insurance—What it is and What it is Not," and "The Life Insurance Agent." It is a book of 241 pages. The book is sold by THE NATIONAL UNDERWRITER.

### LAHM BROKERAGE MANAGER

Home Life of New York has appointed Robert Lahm as brokerage manager in the C. A. Finley agency in New York. He is a native New Yorker and except for a period of service in the first world war, his entire business experience has been in life insurance. For the past 12 years he has been assistant manager of the Manhattan ordinary department of Prudential and in assisting brokers was responsible for a large volume of business. He is vice-president of the Life Supervisors Association of New York, and was one of its charter members.

### RUDOLPH RECHT FESTIVITIES

General Agent Rudolph Recht of Northwestern Mutual Life in New York gave an anniversary party for his associates. Guests from the home office included Grant L. Hill, director of agencies, and J. P. McDonald, agency assistant. Other guests from outside the agency were H. L. Smith general agent at Harrisburg and Dr. L. G. Sykes, medical referee in New York. The agency is almost \$1,000,000 ahead for the first four months.

### W. C. RHOADES IN NEW POST

W. C. Rhoades, advertising manager of the Marine Office of America in New York City, is joining the advertising agency of Parker-Allston Associates, 116 John street, New York. He is a Yale graduate and has been with the Marine Office of America since he left college. He is a son of Sumner Rhoades, who recently retired as man-

ager of the Eastern Fire Underwriters Association.

### CHANGE IN HYDE-ADLER AGENCY

Ben Hyde and David B. Adler by mutual agreement have terminated their partnership in the Hyde-Adler general agency of Penn Mutual Life in New York City.

Mr. Hyde continues as general agent and Mr. Adler will remain with the agency as associate general agent.

### IRVING G. ROOS SLATED

The Queens County Brokers & Agents Association will have as the speaker at its May 13 meeting Irving G. Roos, production manager of the Joseph Agency in New York of Home Life of New York, who will talk on life insurance under war conditions.

## RECORDS

Manhattan Life—New written business in the first quarter totaled \$8,035,389, compared with \$5,530,647 for the same period of 1941. Cancellations were \$258,920 less than a year ago. Insurance in force on April 1 was \$4,244,854 more than on Jan. 1, and \$14,415,571 more than on April 1, 1941.

American Mutual Life—April sales were the largest in 10 years and 42 percent ahead of April, 1941. The record was made without the aid of sales contests or special drives. The birthday of Dr. E. B. Mountain, president of American Mutual Life, will be honored in May with a special "Mountain Music" campaign.

Bankers Life of Iowa—For the first four months new paid life insurance amounted to \$22,752,361, a gain of \$4,414,035 or 24 percent.

The Ohio department of the Reliance Life at Cleveland showed a 49 percent increase in paid business during the first four months, it being better than \$2,000,000 in paid volume up to date.

### Montgomery Speaks in Texas

AUSTIN TEX.—Paul V. Montgomery, vice-president and secretary-actuary Southland Life, read the only formal paper at the semi-annual meeting of the Texas Association of Life Insurance Executives here, discussing the proposed new valuation and non-forfeiture laws under study by the National Association of Insurance Commissioners.

# Latest Policy Changes

By JOHN H. RADER

The National Underwriter is the only weekly insurance newspaper providing its readers with important last minute policy and dividend changes. Compiled by John H. Rader, National Underwriter statistician, these weekly reports supplement the data contained in the Little Gem, published in March at \$2.50 a copy, and the Unique Manual-Digest, published in May at \$5 a copy.

## N. W. National's New Premium Rates

The new 3 percent nonparticipating and guaranteed premium reduction policy rates of Northwestern National Life, and those for a number of new policies are presented below.

The new policies include non par double protection to 60 and 65, term to age 70, mortgage redemption whole life, and two new guaranteed premium reduction policies, endowment at 70 and 75. The new rates are:

Nonparticipating 3% Rates									
Age	20		Dble.		20		20		End.
	Whole	Life	Life	Term	Whole	Life	Life	Term	
20	\$14.55	\$23.91	\$24.38	\$11.56	\$15.08	\$17.82	\$18.33	\$18.88	\$19.47
21	14.89	24.35	24.80	11.77	15.40	18.33	18.88	19.47	20.06
22	15.26	24.80	25.24	12.01	15.76	18.88	19.47	20.06	20.65
23	15.64	25.26	25.69	12.25	16.12	19.47	20.06	20.65	21.24
24	16.05	25.75	26.17	12.50	16.54	20.06	20.65	21.24	21.83
25	16.48	26.24	26.67	12.76	16.97	20.65	21.24	21.83	22.42
26	16.93	26.76	27.19	13.08	17.42	21.24	21.83	22.42	23.01
27	17.41	27.32	27.74	13.41	17.89	21.83	22.42	23.01	23.60
28	17.92	27.89	28.31	13.74	18.38	22.42	23.01	23.60	24.19
29	18.45	28.49	28.90	14.07	18.88	23.01	23.60	24.19	24.78
30	19.03	29.09	29.53	14.40	19.40	23.60	24.19	24.78	25.37
31	19.59	29.70	30.17	14.74	19.94	24.19	24.78	25.37	25.96
32	20.18	30.32	30.81	15.12	20.50	24.78	25.37	25.96	26.55
33	20.80	30.97	31.47	15.53	21.08	25.37	25.96	26.55	27.14
34	21.48	31.65	32.14	15.98	21.68	25.96	26.55	27.14	27.73
35	22.19	32.37	32.85	16.47	22.29	26.55	27.14	27.73	28.32
36	22.99	33.17	33.60	17.01	22.92	27.14	27.73	28.32	28.91
37	23.84	33.99	34.40	17.59	23.59	27.73	28.32	28.91	29.50
38	24.72	34.85	35.24	18.20	24.29	28.32	28.91	29.50	30.09
39	25.65	35.75	36.13	18.85	25.02	28.91	29.50	30.09	30.68
40	26.63	36.66	37.03	19.54	25.78	29.50	30.09	30.68	31.27
41	27.65	37.62	38.00	20.27	26.57	30.09	30.68	31.27	31.86
42	28.73	38.57	41.31	21.02	27.39	30.68	31.27	31.86	32.45
43	29.87	39.59	42.60	21.80	28.24	31.27	31.86	32.45	33.04
44	31.09	40.66	43.97	22.62	29.12	31.86	32.45	33.04	33.63
45	32.34	41.79	45.40	23.47	30.02	32.45	33.04	33.63	34.22
46	33.68	42.92	46.93	24.36	30.94	33.04	33.63	34.22	34.81
47	35.08	44.10	48.56	25.31	31.88	33.63	34.22	34.81	35.40
48	36.54	45.36	50.25	26.33	32.86	34.22	34.81	35.40	36.00
49	38.10	46.69	51.99	27.41	33.88	34.81	35.40	36.00	36.59
50	39.74	48.09	53.76	28.56	34.94	35.40	36.00	36.59	37.18
51	41.49	49.53	55.59	29.78	36.04	36.00	36.59	37.18	37.77
52	43.34	51.09	57.47	31.06	37.18	36.59	37.18	37.77	38.36
53	45.30	52.71	59.37	32.42	38.36	37.18	37.77	38.36	38.95
54	47.37	54.44	61.29	33.87	39.58	37.77	38.36	38.95	39.54
55	49.57	56.27	63.23	35.42	40.84	38.36	38.95	39.54	40.13
56	51.90	58.22	65.20	37.06	42.14	38.95	39.54	40.13	40.72
57	54.37	60.30	67.20	38.79	43.48	39.54	40.13	40.72	41.31
58	56.99	62.47	69.33	40.61	44.86	40.13	40.72	41.31	41.90
59	59.77	64.81	71.59	42.52	46.28	40.72	41.31	41.90	42.49
60	62.73	67.29	73.98	44.52	47.74	41.31	41.90	42.49	43.08
61	65.87	69.99	76.50	46.61	49.24	41.90	42.49	43.08	43.67
62	69.21	72.85	79.15	48.79	50.78	42.49	43.08	43.67	44.26
63	72.77	75.95	81.84	51.06	52.36	43.08	43.67	44.26	44.85
64	76.56	79.29	84.68	53.42	53.98	43.67	44.26	44.85	45.44
65	80.59	82.84	87.67	55.86	55.64	44.26	44.85	45.44	46.03

Age	Whole Life		20 Pay		End. at 65	
	1st Yr.	Sub. Yr.	1st Yr.	Sub. Yr.	1st Yr.	Sub. Yr.
20	\$19.47	\$16.03	\$29.45	\$26.18	\$23.62	\$19.99
21	19.87	16.40	29.93	26.66	24.00	20.36
22	20.26	16.78	30.42	27.14	24.39	20.74
23	20.65	17.17	30.91	27.63	24.79	21.13
24	21.05	17.57	31.42	28.14	25.20	21.53
25	21.47	17.98	31.95	28.66	25.62	21.94
26	21.92	18.43	32.50	29.21	26.07	22.38
27	22.42	18.92	33.09	29.79	26.55	22.84
28	22.94	19.44	33.70	30.40	27.03	23.32
29	23.48	19.98	34.34	31.03	27.55	23.84
30	24.05	20.54	34.98	31.66	28.09	24.37
31	24.63	21.12	35.63	32.30	28.64	24.91
32	25.25	21.73	36.29	32.95	29.19	25.46
33	25.90	22.37	36.97	33.62	29.77	26.03
34	26.61	23.07	37.70	34.33	30.37	26.62
35	27.38	23.83	38.46	35.08	31.01	27.25
36	28.23	24.66	39.30	35.90	31.68	27.91
37	29.14	25.55	40.17	36.74	32.41	28.63
38	30.09	26.48	41.07	37.62	33.24	29.43
39	31.10	27.46	42.01	38.52	34.14	30.29
40	32.16	28.49	42.98	39.46	35.10	31.19
41	33.27	29.56	43.98	40.42	36.11	32.12
42	34.44	30.68	45.01	41.39	37.14	33.07
43	35.67	31.86	46.08	42.41	38.21	34.05
44	36.98	33.10	47.22	43.44	39.33	35.07
45	38.39	34.41	48.44	44.60	40.50	36.14
46	39.89	35.78	49.73	45.73	41.75	37.27
47	41.57	37.21	51.12	46.90	43.07	38.47
48	43.28	38.75	52.59	48.12	44.45	39.75
49	45.06	40.35	54.15	49.41	45.92	41.12
50	46.97	42.03	55.85	50.78	47.53	42.60
51	49.01	43.83	57.62	52.20	49.28	44.18
52	51.19	45.73	59.50	53.68	51.17	45.85
53	53.45	47.74	61.45	55.25	53.21	47.61
54	55.86	49.87	63.54	56.91	55.43	49.45
55	58.43	52.13	65.77	58.67	58.03	51.36
56	61.20	54.53	68.19	60.54	60.84	53.34
57	64.15	57.09	70.78	62.53	63.84	55.40
58	67.30	59.81	73.55	64.64	66.94	57.54
59	70.78	62.72	76.63	66.87	70.14	59.76
60	74.51	65.85	80.09	69.22	73.54	62.06

Age	End. at 70 (G.P.R.)		End. at 75 (G.P.R.)		Non-Par. Double	
	1st Yr.	Sub. Yr.	1st Yr.	Sub. Yr.	Prot. Term	Prot. Term
20	\$21.11	\$17.75	\$20.25	\$16.88	\$23.25	\$10.59
21	21.57	18.19	20.67	17.28	23.62	10.74
22	22.04	18.65	21.10	17.69	24.00	10.89
23	22.54	19.13	21.54	18.11	24.40	11.05
24	23.06	19.64	21.98	18.54	24.82	11.21
25	23.63	20.19	22.45	18.99	25.25	11.39
26	24.24	20.79	22.95	19.48	25.71	11.62
27	24.90	21.44	23.50	20.02	26.18	11.85
28	25.61	22.14	24.09	20.60	26.68	12.09
29	26.37	22.89	24.73	21.23	27.20	12.32
30	27.18	23.68	25.41	21.90	27.74	12.56
31	28.02	24.50	26.12	22.60	28.30	12.83
32	28.89	25.35	26.86	23.33	28.90	13.12
33	29.79	26.23	27.63	24.09	29.54	13.46
34	30.74	27.16	28.46	24.90	30.29	13.84
35	31.75	28.14	29.34	25.77	31.07	14.24
36	32.88	29.24	30.31	26.70	31.89	14.69
37	34.11	30.43	31.33	27.69	32.76	15.18
38	35.45	31.73	32.42	28.75	33.67	15.68
39	36.91	33.15	33.59	29.88	34.63	16.24
40	38.50	34.68	34.88	31.11	35.64	16.82
41	40.18	36.30	36.22	32.41	36.68	17.42
42	41.97	38.01	37.65	33.78	37.76	18.07
43	43.85	39.81	39.16	35.22	38.88	18.73
44	45.84	41.70	40.74	36.72	40.03	19.43
45	47.96	43.69	42.42	38.28	41.22	20.15
46	50.27	45.84	44.23	39.95	42.47	20.91
47	52.80	48.18	46.24	41.74	43.78	21.72
48	55.58	50.77	48.34	43.67	45.16	22.60
49	58.62	53.65	50.60	45.75	46.59	23.53
50	62.05	56.88	53.07	48.01	48.07	24.52
51	65.88	60.45	55.78	50.45	49.60	25.56
52	70.12	64.38	58.75	53.07	51.18	26.65
53	74.78	68.68	61.93	55.88	52.81	27.79
54	79.88	73.34	65.34	58.89	54.49	28.98
55	85.44	78.36	68.91	62.10	56.22	30.22

## New York Life Extends Cover on Juveniles to Age 4

New York Life recently began issuing ordinary life and 20 payment life policies at ages 4 to 9 except in New York state. These policies provide full face amount protection as soon as the policy goes into force. Control of the policy rests with the applicant until the insured reaches age 15. The minimum policy is \$500, provided the first premium is \$5, and the maximum policy is \$5,000, except where subject to statutory limitations. Disability or double indemnity are not granted. Child's protection insurance on the life of the applicant is available, premiums payable for five years only, amount of premium dependent on age of child and applicant. Rates follow:

Age of Child	20		Child's protection Applicant, age 35	
	Ord. life	Pay life	Ord. life	20 Pay.
4	\$15.37	\$25.05	\$4.45	\$7.25
5	15.37	25.05	3.94	6.43
6	15.37	25.05	3.48	5.67
7	15.40	25.05	3.05	4.95
8	15.52	25.15	2.66	4.31
9	15.70	25.35	2.30	3.71





Informal scenes at North Central Round Table meeting of Life Advertisers Association, Excelsior Springs, Mo.: Russell B. Reynolds, secretary American Mutual Life; Jack R. Morris, director of sales promotion Business Men's Assurance; O. R. Tripp, treasurer Ministers' Life & Casualty; J. J. Prather, advertising manager Guarantee

Mutual Life; Francis J. O'Brien, director of sales promotion Franklin Life; Martin J. Mullen, director of publicity General American Life; Fred L. Fisher, advertising manager Lincoln National Life, and Edgar S. Wescott, advertising manager Bankers Life of Nebraska.



Captain Robert L. Maclellan, U. S. Army, is here being given a send-off by associates of Provident Life & Accident, Chattanooga, of which he is vice-president in charge of the life department. The picture left to right includes K. B. Piper, actuary; Captain Maclellan; Sam E. Miles, agency manager life department; and Dr. Chas. R. Henry, medical director, who is shown holding an attractive handlettered plaque presented the life department head by the entire department.



Chester O. Fischer (right), vice-president Massachusetts Mutual Life, spoke to the Oklahoma City Chamber of Commerce forum. With him is J. Hawley Wilson, Oklahoma City general agent Massachusetts Mutual.



ROSWELL MAGILL



J. C. ROVENSKY

Scheduled to speak before the New York C. L. U. chapter's "Economic and Social Trends" seminar on May 15 are:

Roswell Magill, tax expert and professor of law at Columbia University, former under secretary of the treasury and adviser to various governments on taxation matters, will discuss "Federal Taxation Trends"; Joseph C. Rovensky, vice-president and director of Chase National Bank and now assistant co-ordinator of Latin American Affairs, "The Americas—a Review," and Dr. Alvin H. Hansen, economist and head of Harvard University's department of public administration, "After the War—Full Employment."



DR. A. H. HANSEN



Earl M. Schwemm, manager of Great-West Life, and William M. Houze, John Hancock Mutual Life general agent, at Chicago Association of Life Underwriters sales congress.

## "By the Dawn's Early Light"

**T**HE first low ray of the young morning lights his untroubled face, peaceful and serene.

If there are dreams behind the closed eyelids, they are boyish dreams of bikes and BB guns and the heroic exploits of Superman.

If there is concern here, it is a sort of puzzlement over what's come over Mom and Pop of late . . .

Pop doesn't get home so early as he used to, somehow isn't quite as ready to romp and play as once he was. And Mom—she's quieter, and every now and then is caught looking at him, long and slow, a brooding tenderness in her eyes.

War? Sure, he knows there's a war. It's in the headlines, names of faraway lands, unreal as any fairy tale.

Pop says they can't get new tires for the car because of the war; and instead of giving him nickels now and then, brings home War Savings Stamps that he says will be spending money "after the war's won."

But what's all this got to do with a little boy?

He doesn't know, of course, that even while he sleeps here in the dawn's early light, somewhere soldiers, sailors and airmen stand vigilant guard — for his sake.

He doesn't know that while kids like him play their shouting games of dive-bomber



and mock air alarm, real American planes are splitting the sky, real American shells are arching through the heavens, real American machine guns are chattering forth destruction — for his sake.

He doesn't know that vast factories hum in angry haste through seven three-shift days a week—that instead of tires, tubes, belting, flooring and other good things of rubber, plants like Goodyear's are pouring forth countless plane parts, gas masks, combat tires, tank treads, self-inflating life vests and so on — for his sake.

He doesn't realize, you see, that *he* is the coming America.

He doesn't know *he is the future*, here with us today, living emblem of the one thing in the world worth fighting for — hope, and promise, the chance for a better life. He doesn't know that as long as boys can be boys, men can be *men* — that Mom and Pop understand that, as he will himself some day when he has a son of his own.

It won't be the billions we spend that will win this war, not all our factories and the machines that are in them—it will be the things men see in the faces of little boys.

It will be the willingness of fathers not only to fight, but to work and sacrifice in fierce guardianship of those they love.

So may his sleep be sweet.

Some day he'll take up the burdens, the fruitful tasks of manhood; it is our job now to see that he can take them up as a free man, fit to fashion a better world.

THIS ADVERTISEMENT of the Goodyear Tire & Rubber Company appeared recently as a double-page spread in national weekly magazines. New England Mutual republishes it, by special permission, in the above form

BECAUSE it is one of the most moving statements we have seen of the spirit which must drive America and the United Nations to victory in this war for freedom;

BECAUSE it implies so eloquently the reason why, in war as in peace, fathers stamp "INDISPENSABLE" upon the life insurance which stands guard with them over the future of those they love.

Free reprints of this advertisement may be obtained from New England Mutual's 69 general agencies.

**New England Mutual**  
Life Insurance Company  of Boston

George Willard Smith, President

Agencies in Principal Cities Coast to Coast

THE FIRST MUTUAL LIFE INSURANCE COMPANY CHARTERED IN AMERICA — 1855